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JPRS-CEA-84-005

25 JANUARY 1984

China Report

ECONOMIC AFFAIRS

TEXT OF THE SIXTH FIVE YEAR PLAN

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25 January 1984

CHINA REPORT

ECONOMIC AFFAIRS

TEXT OF SIXTH FIVE-YEAR PLAN

Beijing ZHONGHUA RENMIN GONGHEGUO GUOWUYUAN GONGBAO [BULLETIN OF THE STATE COUNCIL OF THE PEOPLE'S REPUBLIC OF CHINA] in Chinese No 9, 10 Jun 83 pp 307-410

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[Text] Introduction

The Sixth Five-Year Plan of the PRC for Economic and Social Development (1981-85) was drawn up after a searching study of our experience in socialist construction over the long past and after a comprehensive analysis of the present situation in our current economic and social development. It was worked out in line with the strategic plan for economic construction up to the end of the century as proposed by the CPC Central Committee. This five-year plan, while carrying on the policy of readjusting, restructuring, consolidating and improving the national economy, will see to it that our economy will move into a healthy orbit of steady development, that our construction for modernization will make further progress, that people's livelihood will continue to improve, and that we will embark on a new path of economic construction for socialist modernization in the light of the actual conditions in our country.

We have made great achievements but also have committed serious mistakes in socialist construction in the past 30 years. Out of the serious economic depression and dire poverty left behind by old China, we have built up independent and fairly complete industrial and national economic systems. On the basis of national economic recovery in 1952, and in the 28 years from the beginning of planned construction in 1953 to 1980, the gross social product was increased from 100 billion yuan to 850 billion yuan, a 7.4-fold increase in comparable prices; the gross value of industrial and agricultural production was increased from 81 billion yuan to 715.9 billion yuan, an 8-fold increase in comparable prices; the national income was increased from 58.9 billion yuan to 366.7 billion yuan, a 4.1-fold increase in comparable prices; the fixed asset value of state-owned enterprises was increased from 24 billion yuan to 530 billion yuan, a 21-fold increase; the output of major products was increased several times, or several scores of times over; the consumption volume of the whole population was doubled; education, culture, science, broadcasting, public health and physical education have all been greatly developed; and national defense has been markedly strengthened. All this has been the outcome of hard struggle by people of all nationalities under the leadership of the Chinese Communist Party and relying on the superiority of socialist system. These achievements have prepared a dependable foundation for promoting the socialist cause and attaining the grand objective of the four modernizations. The major mistakes committed during this period were: After the basic completion of the socialist transformation, we failed to shift the focus of work to economic construction promptly and unswervingly. With regard to the relations of production, we were over-anxious for the transition to the system of ownership by all the people or even communism regardless of the development of social productive forces. In production, we went beyond the limit of reality, were over-eager for quick

success, one-sidedly strived for high speed, and blindly over-expanded the scope of capital construction by ignoring the development of science and technology and education, and disregarding the economic results and various economic plans, economic policies, and the overall balance and scientific conformations for production, construction and business management. These mistaken guidelines, coupled with the 10 years of serious disruption during the "Great Cultural Revolution" made it impossible for us to achieve even greater success and to improve the people's living conditions as we should.

The Third Plenary Session of the 11th Party Central Committee which had great historical significance began to correct the "leftist" guiding thought in economy. To overcome the serious disproportion of long standing in our national economy, we have since 1979 carried out the policy of readjusting, restructuring, consolidating and improving. Thanks to the efforts of people throughout the country, the proportionate relation between industry and agriculture, between light industry and heavy industry, and between accumulation and consumption have been greatly improved; initial achievements have also been made in enterprise reorganization; and preliminary reform has been carried out in the economic system. All these measures have played a positive role in revitalizing the economy. However, the longstanding problems in the national economy left over from the old society could not be completely solved within a short time. The task of readjustment in various fields is still very arduous; the consolidation and reorganization of enterprises and the reform of the economic system still requires a great deal of work; and arduous efforts are still needed to improve the economic results and to strive for a fundamental turn for the better in the state finance and economy.

According to the plan of the Party Central Committee, the strategic aim of our economic construction in the 20 years from 1981 to the end of this century, based on the continuous improvement of economic results, is to do everything we can to quadruple the gross annual value of the nation's industrial and agricultural output, to join the world's foremost ranks in the total volume of national income and output of the main products, to see that the national economy makes big headway in the course of modernization and that our people are moderately well off in both their material and cultural lives. To this end, we must seize the three key strategic factors--agriculture, energy and transportation, and education and science--which will push forward the development of the economy as a whole. In this strategic move, we are to achieve our aim in two steps: laying a good foundation, building up strength and creating conditions mainly in the first 10 years and opening up a new period of vigorous economic development in the second 10 years. This strategic plan of the Party Central Committee is realistic, far-sighted, and consistent with the people's basic interests. To achieve things under this plan is a very arduous and most glorious historic task.

Working out this Sixth Five-Year Plan and carrying it out accordingly is an important move toward achieving our magnificent objective for the next 20 years. During the current 5-year period, we must take forceful measures to secure economic stability with, however, a specified rate of growth and at the same time make preparations for better economic and social development in the future.

Based on historic experiences, the Party Central Committee has decided that in carrying out the modernization program of our country, we must combine the universal Marxist truth with China's realities, take our own road, and build socialism having special Chinese characteristics. Proceeding from our national conditions, we must formulate the following important principles and strategic thoughts in our social and national economic development:

All economic activities must be focused on the improvement of economic results, and efforts must be made to achieve a proportionate and long-term stable economic growth.

We must vigorously develop agriculture and the consumer goods industry, and see to it that heavy industry will actively serve agriculture and the consumer goods industry as well as the technical transformation in the national economy and the modernization of national defense, and that the two major categories of socialist production coordinate and help each other forward.

All national economic sectors should be shifted to new technical foundations in a planned and systematic way, and the technical transformation of existing enterprises should be actively promoted. At the same time, energy, transportation and other infrastructural facilities and construction should be greatly strengthened.

Economic, scientific and technological, and social developments should be closely coordinated. The role of education and science in economic and social development should be given full play. Economic development must continue to meet the daily increasing needs in society including the protection of the ecological environment.

In adopting all technical and economic measures, we must consider the huge population as a special characteristic of our country. While strictly controlling population growth, we should, at the same time, open more avenues of production and make full use of our abundant labor resources. There should be an overall plan for the urban-rural relationship so as to avoid the influx of the rural population into the cities.

We must firmly adhere to the principle of "first feeding the people and second building the country" and make comprehensive arrangements for the improvement of people's livelihood and the development of production and construction. The relationship among the state, the collective and the individuals should be correctly handled.

While firmly upholding the leading position of the state sector of the economy as the prerequisite, we should develop different forms of economy and business operations. On the basis of the predominance of the system of public ownership, we should implement the principle of the leading role of planned economy and the supplementary role of market regulation, so that there will be both centralization and flexibility in the national economic development.

On the basis of self-reliance, we should uphold the open-door policy and vigorously expand our economic and trade relations with foreign countries.

We should actively and effectively use foreign funds and import the kind of advanced technology that is suitable for our national conditions.

The development of material and spiritual civilizations should go hand-in-hand. While considering the development of production and the improvement of people's livelihood, we should also energetically cultivate and develop the collective, patriotic and communist spirit, raise the people's political consciousness, and inspire the people in hard struggle and in building the country through frugality and diligence.

In formulating the Sixth Five-Year Plan, an effort has been made to follow these guiding thoughts and important principles and to fully mobilize and rationally organize the initiative of the central and local authorities, the various departments and enterprises, and the laborers so that national economic and social development will continue in the correct direction. We have also carried out an overall balance in the compilation of the plan. However, in view of the complex nature of economic life, new problems may crop up in the course of its implementation. Therefore, necessary readjustments must be made in the annual plans in the light of reality.

Part One: Fundamental Tasks and Comprehensive Targets

Chapter 1: Fundamental Tasks

The fundamental tasks of the Sixth Five-Year Plan are to continue to implement the policy of readjusting, restructuring, consolidating and improving the national economy, to further solve already-existing problems that hinder economic development, to achieve a decisive victory in bringing about a fundamental turn for the better in the financial and economic situation, and to lay a better foundation and create better conditions for economic and social development in the Seventh Five-Year Plan. Specifically, it calls for:

1. A planned annual average increase of 4 percent (in carrying out the plan, we shall strive to bring about a 5 percent increase) in industrial and agricultural production, while working for more and better economic results;
2. An increased output of agricultural products, textiles and other light industrial goods as well as other manufactured goods for daily use that are actually needed in society. The quality and quantity of consumer goods should be more or less in line with the growth of the social purchasing power and with the changes in the structure of consumption, and market prices should basically remain stable;
3. Readjustment of the direction for heavy industry and its product mix, a much lower consumption of materials in production, especially of energy consumption, and development of the means of subsistence in a more or less coordinated way;
4. Technical transformation in existing enterprises in a planned way based on assessment of priorities, extensive activities for technical renovation aimed mainly at energy savings, and, at the same time, a concentration of necessary funds for the construction of key energy and transportation projects, and a solid link forged with future development in the Seventh Five-Year Plan;
5. A unified, organized national force of scientists and technicians who will tackle scientific and technological problems and help disseminate and apply the

achievements of science and technology; the development of educational, scientific and cultural undertakings to promote the construction of socialist material and spiritual civilization;

6. Intensified construction of national defense and the national defense industry, development of new types of conventional and strategic arms and a higher level of modernization in the case of military equipment to enhance our defense capabilities;

7. A reversal of the downward trend in state revenue, a gradual increase in expenditures for economic and cultural construction and more or less a balance in revenues and expenditures and in credit receipts and payments--all to be achieved by developing production, improving economic results and a proper concentration of funds;

8. Energetic development of economic relations and trade with foreign countries, effective use of foreign funds, and imports of advanced technology suited to domestic needs to promote the development of the domestic economy and technology;

9. Rigid control over population growth, proper arrangements for the utilization of rural and urban labor power, and continued improvement of the material and cultural well-being of the city and rural population on the basis of the development of production and increased labor productivity; and

10. Intensified environmental protection, a check on further environmental pollution and certain improvements of the environment in some key areas.

To fulfill the fundamental tasks of the Sixth Five-Year Plan, we must do the following jobs really well:

First, we should continue to readjust the economic structure so that the industrial structure will be more rational and the product mix can better meet social needs.

Second, an all-round reorganization of enterprises should be carried out in separate groups and separate periods, beginning with the reorganization of more than 2,000 key enterprises. Readjustment and integration of the existing enterprises should also be carried out in accordance with the principle of specialization and cooperation and other rational economic principles, while "closing, suspension, merging and retooling" should be resolutely carried out for those enterprises which have been incurring losses for a long time because of the inferior quality of their products, their high consumption of energy and raw materials, their excessive production for demand and their serious overstocking.

Third, we should stabilize, consolidate and improve the system of responsibility for production in agriculture and consolidate the system of economic responsibility among the industrial enterprises, the system of responsibility for management among the commercial enterprises, and the system of economic responsibility in capital construction, communications and transportation, and other fields, so as to speed up the progress of economic restructuring. While upholding the enforcement of mandatory plans for the important economic activities and

enterprises as a prerequisite, we should also develop more different forms of management. First, we should carefully control the key enterprises that are carrying out mandatory plans, and the production and distribution of important industrial and agricultural products, and be flexible with the small enterprises--which are subject to the regulative role of the market--and the small commodities. The methods of control over the enterprises, which are following guiding plans, and their products should be tried out more extensively so that we can gradually accumulate experience and solve the problems encountered. Attention should also be paid to the use of economic levers in the form of price, tax and credit in order to guide the enterprises in carrying out state plans. The tax system should be more quickly reformed so as to further improve the relationship between the state and the enterprises. In accordance with unified state planning, we should bring into play the role of various trades and of key cities in handling the relationship between departments and regions at different levels. We should also actively reform the system of commodity circulation to promote production and exchange. On the basis of investigation and study and the summation of experience, we should work out a general plan for economic restructuring along with the steps to be taken.

Fourth, rotational training for cadres on active duty and training for the present laborers so that the vocational level of the administrative cadres and the cultural and technical levels of the laborers will be markedly raised. Thus the economic leading posts will be filled by those who are politically conscious, professionally competent, and in the prime of life.

Fifth, we must firmly implant the idea of coordinating all the activities of the nation like moves on a chessboard, and carefully handle the relationship between the part and the whole so that the enthusiasm and initiative in all areas will be combined with the national unified planning.

Sixth, we must carefully step up ideological and political work, enhance the ideological consciousness of the broad masses of cadres and people, and resist and overcome all unhealthy tendencies.

Chapter 2: Gross Social Product, National Income and Economic Results

1. Gross Social Product.

According to the plan, the gross social product in 1985, including that produced by the five sectors (industry, agriculture, construction, transportation and commerce) will be 1,030 billion yuan, calculated in terms of 1980 constant prices, an increase of 180 billion yuan over the 850 billion yuan in 1980, or an annual average increase of 4 percent. This includes:

Gross agricultural output value, 266 billion yuan, an increase of 21.7 percent over the 218.7 billion yuan in 1980, or an annual average increase of 4 percent.

Gross industrial output value, 605 billion yuan, an increase of 21.7 percent over the 497.2 billion yuan in 1980, or an annual average increase of 4 percent.

In the gross industrial output value, that of light industry accounts for 208 billion yuan, a 27.7 percent increase over the 233.3 billion yuan of 1980, or an annual average increase of 5 percent; that of heavy industry accounts for 307 billion yuan, a 16.3 percent increase over the 263.9 billion yuan in 1980, or an annual average increase of 3 percent.

2. National income.

The plan envisages that in 1985, the volume of production in the national income will reach 445 billion yuan, 78.3 billion yuan more than the 366.7 billion yuan in 1980, an annual average increase of 15.6 billion yuan, or an annual average increase of 4 percent, close or equivalent to the planned rate of growth of the gross value of industrial and agricultural output.

In 1985, the amount of disbursement in the national income (Note: This refers to the production figure in national income + the imports volume - the exports and foreign aid volumes) was 459 billion yuan, an increase of 90.6 billion yuan over the 368.4 billion yuan 1980, or an annual average increase of 18.1 billion yuan. In accordance with the principle of overall arrangement for the people's livelihood, production and construction, the plan sets the total in consumption funds for 1985 at 325.0 billion yuan, about 71 percent of the amount of disbursement in the national income. As for the 134.0 billion yuan in accumulation funds, its share in the volume of disbursement in the national income, or the rate of accumulation is about 29 percent.

3. Economic Results.

The gross social production and the rate of growth of the national income as envisaged in the plan are worked out first of all based on achieving better economic results. The production of all goods must be suitable to the real needs of society. The increase in the production of all products must be obtained through mainly scientific and technological progress, the large reduction of energy and raw material consumption, and increase in labor productivity.

The various economic and technical targets are expected to reach the following levels:

(1) The quality of industrial products must meet the standards set by the state and efforts should be made to increase the proportion of products that are of good quality. During the Sixth Five-Year Plan, and based on the needs and capability of technological progress, the various sectors in charge of industry should revise existing technical standards for products and raise them to a higher level.

(2) The amount of energy consumed to turn out every 100 million yuan of the total industrial output value must decrease from 81,500 tons in 1980 to 71,500-68,200 tons in 1985, for an annual average rate of energy saving of 2.6-3.5 percent.

(3) The utilization rate of steel products in key enterprises under the machine-building industry is projected to be 3 percent higher in 1985 than in 1980.

(4) The labor productivity of all personnel in state-owned industrial enterprises is expected to rise by 2 percent every year on the average.

(5) The comparable cost of products in state-owned industrial enterprises will go down by 1 to 2 percent every year.

(6) The cost of circulation of commodities in state-owned commercial enterprises will be reduced by 1 to 2 percent every year.

(7) The turnover period of circulating funds is to be shortened from 114 days in 1980 to 105 days in 1985 in state-owned industrial enterprises; that in state-owned commercial enterprises from 165 days in 1980 to 163 days in 1985.

All leading organs, economic managerial sectors and economic units at the basic level must emphasize the drive to improve economic results and, according to general national specifications, propose a specific level for their respective economic and technical targets. They must take effective measures to supervise and ensure that these targets are reached. They must encourage the enterprises to increase their output through the practice of economy, provided the quality of their products is guaranteed. All industrial departments and industrial enterprises should work out specific plans for the trial production of new products and the elimination of backward and old ones. Regarding those who have increased their output blindly regardless of social needs, the quality of products or the material consumption should be criticized and such a practice stopped or, in serious cases, an economic penalty should be imposed.

Provided that the general level of retail prices is basically stable, we should make necessary adjustments, one way or the other, of the prices of a small number of commodities, if such prices appear to be irrational. We must in particular uphold the policy of good prices for good products and low prices for poor products in order to encourage continued efforts to improve technology on the part of the enterprises.

We should set up and improve the work of statistics and form as soon as possible a system of statistical indices which can reflect the social economic results, so as to bring into play the role of statistics in supervision.

We should strengthen the standardization of measurement, set up public measurement and testing service centers, and gradually adopt international or advanced foreign standards for important products.

Chapter 3: Finance and Credit

Section One: Revenue

The plan envisages that state revenues will reach 127.4 billion yuan in 1985, an increase of 18.9 billion yuan over the 108.5 billion yuan in 1980, an annual average increase of 3.8 billion yuan, or 3.3 percent. The plan sets total state revenues for the 5 years at 595.3 billion yuan, including 569.1 billion yuan from internal revenues and 26.2 billion yuan from foreign loans.

The ratio of internal revenues to the amount of production in the national income was 28.4 percent in 1980 and will be 27.9 percent in 1985, an annual average increase of 27.8 percent.

Section Two: Expenditures

According to the plan, state expenditures for 1985 will be 130.4 billion yuan, 9.2 billion yuan more than the 121.2 billion yuan for 1980. The total expenditure for all 5 years will be 609.8 billion yuan including 583.6 billion yuan in internal expenditures and 26.2 billion yuan in expenditures on capital construction with loans from foreign sources.

During the Sixth Five-Year Plan, our primary concern is to ensure the construction of key projects, gradually increase expenditures on education, science, culture and health services and at the same time, ensure the indispensable financial needs of military and administrative agencies. We also want to repay the principal and interest on foreign loans on schedule with due consideration for expenditures in other fields. We also shall earmark funds for areas inhabited by minority peoples and economically underdeveloped regions to develop their economy and culture. The total expenditure for the 5 years will be divided among the following major items:

1. Appropriations for capital construction (including foreign loans), 170 billion yuan, an average of 34 billion yuan per annum. This is 27.9 percent of the total, 10.2 percent less than its 38.1 percent share in the previous 5-year plan period.
2. For educational, scientific, cultural, broadcasting, health services and physical education undertakings, 96.7 billion yuan, an average of 19.3 billion yuan per annum. This is 15.9 percent of the total (16.8 percent in 1985), 4.9 percent more than its 11 percent share in the Fifth Five-Year Plan period.
3. Expenditures earmarked to support agriculture, 38.7 billion yuan, an average of 7.7 billion yuan per annum. This is 6.3 percent of the total, approximately the same as during the previous 5-year plan period.
4. Expenditures on national defense and preparations against war, 88.3 billion yuan, an average of 17.7 billion yuan per annum. This is 14.5 percent of the total, 2 percent less than the 16.5 percent in the previous 5-year plan period.

5. Administrative expenditures, 40.8 billion yuan, an average of 8.2 billion yuan per annum, being 6.7 percent of the total, 1.8 percent more than the previous 5-year plan period, which was 4.9 percent.
6. Funds to support areas inhabited by minority peoples and economically underdeveloped regions, 2.5 billion yuan, an increase of 2.2 billion yuan over the 300 million yuan in the previous 5-year plan period.
7. Repayment of foreign loans, both principal and interest, 24.3 billion yuan, an average of 4.9 billion yuan a year.
8. Reserve funds for the central authorities, 5 billion yuan, local funds for extras and reserve funds, 6.8 billion yuan.

All expenditures should be generally held at the 1980 level with slight increases or decreases in isolated cases.

To keep the revenues and expenditures basically balanced, all expenditures must be kept within the scope prescribed by the state plan. This scope must not be exceeded. There must be meticulous calculations and strict budgeting, and all budgeted funds must be fruitfully used.

Section Three: Measures for Increasing Revenue and Saving Expenditures

The balance of revenue and expenditure in the Sixth Five-Year Plan shows an annual average deficit of about 3 billion yuan. In implementing the annual plan, we should try to reduce the deficit to less than 3 billion yuan.

In order to carry out the aforementioned revenue and expenditure plan and guarantee the key construction projects of the state and the essential military and civil expenditures, the most important measure is to increase production and achieve better economic results. At the same time, we should change the current situation in which the funds are extremely scattered, see to it that the state has the proper concentration of necessary funds so as to ensure that there are enough funds to cover the necessary expenditures of the central authorities. Therefore, the following major measures have been adopted in the plan:

1. Each year, we will issue treasury bonds totalling 4 billion yuan. These bonds will be repaid with interest.
2. Beginning from 1983, there will be an annual levy of 4 billion yuan from the extra-budgetary funds of various departments, localities, enterprises, and trades, to be used as construction funds for key projects in energy and transportation.
3. The enterprises which are under poor management and have incurred loss over long periods should be closed or suspended. Besides paying the workers' wages and the upkeep expenses, the state will not grant any subsidy, and the bank will not grant any loan.

4. The state's financial burden should be reduced through such measures as base quota for state procurement and assigned procurement, readjustment of the increased prices for above-quota procurement of agricultural sideline products, and raising the prices of some chemical fertilizers which have been excessively subsidized by the state.

5. The proportion of profits to be delivered to the state by the banks should be increased.

6. To cut foreign trade losses, we should reduce the goods in stock and the imports of unprofitable goods.

Section Four: Credit Receipts and Payments and Currency Issue

During the Sixth Five-Year Plan period, we plan to increase the sources of credit funds by 192.5 billion yuan and to increase the use of credit funds by 217 billion yuan. Additional currency will be issued according to actual needs.

In raising funds, we should continue to develop savings deposits in the urban and rural areas and at the same time encourage the enterprises, public agencies, government organs and mass organizations to open fixed deposit accounts so as to increase the sources of long-term and steady credit funds. During the Sixth Five-Year Plan period, it is planned that urban and rural savings deposits will be increased by 63 billion yuan, and those of enterprises, trades, government organs and mass organizations be increased by 61.8 billion yuan.

In the use of funds, an overall arrangement should be worked out for all expenditures to be used rationally and frugally so as to increase the economic and social benefits from loans. During the Sixth Five-Year Plan period, the industrial loans will be increased by 33.7 billion yuan and the agricultural loans will be increased by 11.1 billion yuan in order to support the steady increase in industrial and agricultural production. The plan also calls for an increase of 79.9 billion yuan in commercial loans to help the commercial departments increase their commodity circulation and procure more popular commodities; an increase of 39.9 billion yuan in loans for fixed asset investment to support the enterprises in technical transformation and equipment renovation, to accelerate the development of light industry and transportation, in energy conservation and to raise the technological level in the machinery industry; and an increase of 300 million yuan in each of the last 3 years of the Sixth Five-Year Plan period in fixed asset investment loans to help the minority peoples develop their local economy in the underdeveloped border and remote regions.

During the Sixth Five-Year Plan period, we must strive to overfulfill the plan for bank savings while granting loans strictly according to plan to ensure basically balanced credit receipts and payments and to guard against credit inflation. We must strengthen control over loans and currency issue. No government organ or unit has the right to force the banks to grant loans or to appropriate the bank's credit funds. The People's Bank and the specialized banks in various localities as well as all monetary organs must conscientiously fulfill the credit and cash plans approved by the state in order to ensure a

balance in credit receipts and payments. In dealing with fixed asset investment loans, we should control the amount of increase as well as the total amount of loans for the current year in accordance with the plan. We should also stipulate the directions for the use of credit funds in the order of priority as set in the plan.

Chapter 4: Fixed Assets Investment

Beginning with the Sixth Five-Year Plan, a unified fixed asset investment plan will be compiled including comprehensive arrangements for the use of funds in capital construction and in equipment renovation and technical transformation.

In these 5 years, the planned figure for fixed asset investment in units owned by all the people throughout the country is 360 billion yuan, of which investment in capital construction will amount to 230 billion yuan and investment in updating equipment, 130 billion yuan.

Section One: Capital Construction

During the Sixth Five-Year Plan, the national investment in capital construction of 230 billion yuan will be allocated as follows: investment directly arranged in the state budget, 118.2 billion yuan; foreign funds (including the importation of complete sets of equipment on state loans), 26.11 billion yuan; bank loans (including the capital construction loans granted by the Construction Bank and the People's Bank), 16 billion yuan; self-raised construction capital investment (including the funds raised by the departments, localities and enterprises), 48.36 billion yuan; special funds for converting oil-burning into coal-burning equipment, 6.5 billion yuan; and capital construction funds connected with military and civilian air defense engineering projects, relief work in disaster areas in Tangshan and Tianjin, and the support of economically underdeveloped areas, 14.83 billion yuan.

Capital construction investment is mainly for construction of energy, communications and transportation projects, with proper appropriations for agriculture, textile and other light industries, metallurgical industry, chemical industry, building material industry, education, science, culture, health, urban construction, commerce and foreign trade.

The breakdown of the investment fund is as follows:

Fuel and power industry, 58.63 billion yuan. Of this amount, coal industry accounts for 17.93 billion yuan; petroleum industry, 15.47 billion yuan; electric power industry, 20.73 billion yuan; major devices to save energy, 4.5 billion yuan.

Communications and transportation, 29.83 billion yuan. Of this, railways, 17.29 billion yuan; communications, 9.61 billion yuan; civil aviation, 580 million yuan; posts and telecommunications 2.35 billion yuan.

Agriculture, forestry, water conservation and meteorology, 14.13 billion yuan.

Textile and other light industries, 13.98 billion yuan.

Forestry industry and building material industry, 7.28 billion yuan.

Metallurgical industry, 17.51 billion yuan.

Chemical industry, 11.43 billion yuan.

Geological prospecting, 1.49 billion yuan.

Machine-building industry, 2.89 billion yuan.

Other industries, 8.46 billion yuan.

Science, education, culture, broadcasting, health and physical education, 9.43 billion yuan.

Commerce and foreign trade, 6.26 billion yuan.

Housing, urban construction and environmental protection, 17.88 billion yuan.

Rehabilitation after the earthquake in Tangshan and Tianjin, support for the nation's economically underdeveloped regions and other construction projects, 30.8 billion yuan.

China will have 890 large and medium-size projects under construction. During the plan period, 400 projects will be completed; construction of the rest will continue in the Seventh Five-Year Plan period.

The newly added productive capacity of the major industrial and transportation departments is as follows:

Coal industry--101 mines will be completed under the plan, with an additional capacity of extracting 80 million tons of coal.

Electric power industry--10 hydroelectric power stations and 27 thermal electric power plants will be completed under the plan. These, added to the partially completed power stations (and plants), with new power generators will have an installed capacity of 12.9 million kilowatts, of which hydroelectric power will amount to 3.2 million kilowatts.

Oil industry--an added capacity to extract 35 million tons of crude oil.

Railways--under the plan, will open an additional 2,067 kilometers of rail to traffic, will electrify 2,511 kilometers and will double track 1,689 kilometers.

Harbors--54 deep-water berths to be completed under the plan, for an additional handling capacity of 100 million tons.

Building material industry--25 cement works to be completed under the plan, for an added capacity of producing 12.4 million tons of cement.

Forestry industry--under the plan, an added capacity of felling and shipping 3.2 million cubic meters of logs.

Textile industry--12 projects producing chemical fiber to be completed under the plan, for an added capacity of producing 380,000 tons of chemical fiber; 6 cotton and 6 woolen mills to be completed, with 300,000 new cotton spindles and 200 new wool spindles. Through updating some old mills, there will be another 4.4 million additional cotton spindles and 270,000 new wool spindles.

Light industry--under the plan, an added capacity of refining 500,000 tons of sugar; an added capacity to make 310,000 tons of paper and an added capacity to refine 1.03 million tons of salt. By updating some existing plants, there will be an added capacity of refining 1.38 million tons of sugar, making 750,000 tons of paper and refining 340,000 tons of salt.

Metallurgical industry--the emphasis is on the construction of the first phase of the engineering work of the Baoshan Iron and Steel Complex in Shanghai; the blast furnace to be fired in 1985; there will be an initial capacity of smelting 3 million tons of iron and making 3 million tons of steel, producing 500,000 tons of seamless tubes.

Chemical industry--under the plan, an added capacity to produce 1,525,000 tons of synthetic ammonia, 46,000 tons of phosphate fertilizer and 115,000 tons of ethylene.

To make preparations for long-term development, during the period, we have selected 279 projects, with some money to finance them, for scientific research, technical and economic verification, prospecting and designing.

Section Two: Updating and [Technological] Transformation

During the Sixth Five-Year Plan period, investment in updating equipment amounts to 130 billion yuan. Of this, state appropriations 13.1 billion yuan; bank loans, 38.5 billion yuan; locality, department and enterprises' depreciation funds and other funds (including foreign funds), 78.4 billion yuan.

During the same period, the plan for updating equipment, with stress on saving energy and raw and other materials, is designed to improve the product mix and the performance and quality of products; we will also update equipment in existing enterprises and improve the technology there; we will make rational use of resources and tackle pollution; we will popularize verified scientific and technological achievements; we will increase the productive capacity of light industrial goods in short supply.

The updating program of major trades is as follows:

Machinery and electronic industries: mainly to improve the manufacturing technology in the enterprises producing the components and basic parts; update some machinery products of high energy consumption; trial produce large complete sets

of equipment; and carefully attend to the reorganization and transformation of the four major technologies--namely, casting, forging, heat-treatment and electro-plating--in a number of cities with densely concentrated industries.

Coal industry: mainly to update the mining equipment, improve the quality of coal and labor conditions, and strengthen safety measures in production.

Petroleum industry: mainly to update the equipment in old oilfields so as to ensure a steady output of petroleum and natural gas.

Electric power industry: mainly to update the power grids, improve the quality of power transmission, take effective energy-saving measures, eliminate serious defects in equipment, and strengthen the hydraulic structure of hydroelectric power stations.

Textile industry: mainly to improve the techniques, increase the dyeing and finishing capacity for chemical fiber and the productive capacity for cotton and woolen textiles, and update the cotton textile equipment.

Light industry: mainly to change the product mix, improve the quality, increase the productive capacity for products in short supply, and adopt energy conservation measures.

Metallurgical industry: mainly to remedy the loss of capacity of mines, increase the varieties of products, raise the rate of qualified products and the quality level, increase the energy utilization rate, and reduce the comprehensive energy consumption per unit of products.

Chemical industry: mainly to update and improve the backward equipment and technology, raise the energy utilization rate and the comprehensive raw material utilization rate, and produce a new generation of goods.

Building material industry: mainly to update the old equipment, look for new raw-material producing mines and increase the productive capacity for cement, glass and other products in short supply.

Communications and transportation: railways, mainly to carry out technical transformation for some trunk lines and intersections so as to increase the traffic capacity; water transportation, mainly to increase the cargo handling capacity of the Chang Jiang and the ports open to foreign trade, improve the small and medium-size passenger wharves and other facilities, and renovate the fleet; civil aviation, mainly to update some airfields, improve passenger service facilities, and renovate the fleet; posts and telecommunications, mainly to change from open wires to cables, transform the microwave circuits and increase the number of city telephones.

Section Three: Go All-Out To Achieve Greater Investment Results

During the Sixth Five-Year Plan period, we will strictly control the magnitude of fixed asset investment, ensure the construction of the key energy and transport projects, ensure technical transformation of existing enterprises and

curtail the unplanned expansion of processing industries in general. In the case of capital construction or other items to be updated, emphasis should be placed on shortening the construction time and lowering the cost of these engineering works, and every effort is to be made to achieve better results from the investment.

The major measures for controlling the magnitude of investment and achieving better investment returns are:

1. The overall magnitude of investment in fixed assets, including appropriations in the state budget, self-raised funds and bank loans, will go through overall balancing by the State Planning Commission and the provincial, municipal or autonomous regional planning commissions, and is to be included in the state plan.
2. All large and medium-size capital construction projects are subject to examination and approval by the State Planning Commission; small capital construction projects are subject to examination and approval by the provincial, municipal and autonomous regional planning commissions and relevant departments of the State Council. Except for those which the enterprises are entitled to undertake according to state regulations, all projects for technical transformation are subject to joint examination and approval by the appropriate planning commissions and economic commissions at various levels. Large and medium-size additional capital construction projects which are not included in state plans and the technical transformation projects over the limited number must go through overall balancing by the State Planning Commission and be reported to the State Council for examination and approval.
3. All capital construction projects must be undertaken in strict compliance with the procedures for capital construction. No project shall be included in the annual construction plan, still less shall it be started, without prior feasibility studies and technical and economic appraisal, or without preparatory work such as adequate surveys and design.
4. The designing work shall be improved and construction management consolidated. The standards and specifications for the engineering work shall be revised and basic work strengthened all for the purpose of achieving better economic results. We shall consolidate the enterprises in charge of construction in an all-round way, improve management, raise labor efficiency and guarantee the quality of the engineering work.
5. We shall reappraise and decide on the rational quotas for the estimates and budgets for investment in fixed assets and make an effort to lower the cost of construction.
6. In regard to large and medium-size construction projects already decided on, we shall without exception introduce the "five fixes" method: to fix the scale of construction, total amount of investment, time schedule, returns on investment and conditions for cooperation with other units. We will select a number of key projects, for which the "five fixes" method is used, and hand over to the construction bank the total amount of investment. Then, based on the rational construction periods, funds will be appropriated every year along

with the supply of materials so as to guarantee the completion of projects on schedule.

7. It is necessary to perfect the final inspection system for all projects. Generally, for large and medium-size capital construction projects, or the updating projects with investments of more than 10 million yuan, the final inspection should be organized by the departments in charge and the local authorities. Particularly important projects should be reported to and approved by the State Council so that a final inspection committee can be formed for this purpose. All departments in charge should also organize timely final inspections for fairly large single item projects.

8. We shall continue the system of construction investment on a reimbursable basis and systematically introduce the contract system for construction projects. If conditions permit, state allocations should be gradually replaced by bank loans in financial industrial and transportation projects. On the basis of the "five fixes" method, contracts between two construction units should be signed, stipulating the "five responsibilities"--namely, responsibility for the construction task, for investment, for construction materials, for the construction periods and for the quality of engineering work.

9. All investments in capital construction shall be placed under the unified control of the Construction Bank, to be used according to plan and under its supervision.

Chapter 5: Targets for the Development of Science and Technology and Training Personnel

It is expected that there will be breakthroughs in the weak links in the national economy, mainly the key problems in saving and exploiting energy, in communications and transportation, in agriculture and the comprehensive utilization of resources--this is to be achieved by tackling the key technical and scientific problems that have come up in our economic and social development and by disseminating and applying achievements in science and technology. The application and dissemination of these achievements are expected to help promote the development of environmental protection, urban and rural construction, medical and public health service, family planning and other social undertakings, while making preparations in science and technology for further development in the period of the Seventh Five-Year Plan.

As planned, in tackling key scientific and technical problems, the state will mainly concentrate on eight fields, 38 items and 100 projects. The most important among them are:

1. Select and cultivate new improved strains of paddy rice, wheat, soybean, corn, cotton, sugar-bearing crops, rapeseed, superior breeds of livestock and set up a perfect system of breeding.

2. Conduct research into the technology of making large-scale integrated circuits and the technology of their production and equipment and their application in industry, as well as into the development of computer technology.
3. Techniques for developing and saving energy.
4. Conduct research into the technology of chemical fiber spinning and the equipment for dyeing and finishing fabrics.
5. Conduct research into the technology of petrochemical intensive processing and comprehensive oil utilization.
6. Conduct research work into the comprehensive utilization of the three large paragenetic mines in Jinchuan, Panzhihua and Baotou; into the technique of dressing low-grade red iron ore; into the development of new types of key materials badly needed in national defense and electronic industries.
7. Develop a 2,050 mm continuous hot rolling mill, 600,000-kilowatt thermal power generator, extra high tension alternating transmission transformer, and complete sets of large equipment for offshore oil drilling and extraction.

It is planned that some of these items will be completed or will make much progress during the 5-year period.

The state will focus its main attention on 40 projects for disseminating the results of science and technology, the main ones being: hybrid long-grain nonglutinous rice and round-grain nonglutinous rice, improved varieties of single-cross corn, high-yielding disease-resistant sweet potatoes; superior breeds of livestock and of rapidly growing trees; new thermal insulation and refractory materials, marsh gas, new solar energy utilization techniques, tunnelling machinery, excavators for thin coal layers, trace element fertilizers, scientific methods of fertilizer application, insecticides of high efficiency, low toxin and low poisonous residue; industrial pumps, industrial boilers and other energy-saving machines of high productive capacity and high versatility, oil-saving techniques for diesel engines and motor vehicles; techniques for the exploitation and comprehensive utilization of rare earth resources, and techniques for the saving and substitution of precious metals.

While attending to the work of tackling key scientific and technical problems and of disseminating the fruits of scientific and technical research work and laying stress on intensifying the research in application and development, we must see to it that the study of basic theory is steadily developed.

During the Sixth Five-Year Plan period, we must make great efforts to strengthen the work of training personnel in various professions. We will develop higher education and intermediate specialized education on the basis of improving the quality of teaching, and carry on the rotational training of incumbent cadres.

According to the plan, the ordinary institutions of higher learning will recruit 400,000 students in 1985 as against the 280,000 in 1980; the total enrollment will go up from 1.144 million students in 1980 to 1.3 million in 1985. Within these 5 years, there will be altogether 1.5 million university

graduates. By 1985, the number of students attending TV, correspondence and evening universities will reach 1.5 million.

The planned number of 1985 postgraduate students is 20,000, 4.5 times that of 1980; the number of those who have finished post-graduate studies will amount to 45,000 in the same period; and 15,000 students, mainly post-graduates, will be sent to study abroad, 11,000 of whom will return after completing their study.

Chapter 6: Targets for the Development of People's Livelihood and Social Undertakings

According to the plan, the targets for improving the people's livelihood and developing culture, public health, physical education, and urban public utilities are as follows:

The natural population growth will be kept under 13 per thousand in 1985.

The total number of newly employed in cities and town in these 5 years will be 29 million people.

The total payroll for workers and staff members will increase at an annual average of 4.9 percent.

The average net income of each peasant is expected to increase at an average annual rate of 6 percent.

Per-capita consumption of the urban and rural population will grow at an average of 4.1 percent annually.

Residential housing with a floorspace totaling 310 million square meters will be completed in these 5 years in cities and towns; the floorspace of newly built housing in the countryside will total 2.5 billion square meters.

There will be 250,000 newly added beds in hospitals and an increase of 600,000 professional medical personnel.

There will be a fairly substantial development in culture and art, broadcasting and television, journalism and publications and physical education.

Part Two: Plan for the Development of Various Sectors of the Economy

Chapter 7: Agriculture

The series of correct rural policies implemented since the Third Plenary Session of the 11th Party Central Committee has aroused the enthusiasm of the broad masses of peasants in production. The rural economy is flourishing and agriculture has undergone a marked change. During the Sixth Five-Year Plan period, we shall continue to give agriculture a position of strategic importance and promote a continued upsurge in the agricultural economy. We shall stabilize the various forms of production responsibility system in the countryside and gradually bring it to perfection and to a higher plane on the basis of the experience of the masses. We shall make great efforts to disseminate and use the latest achievements in agricultural science and technology and improve the conditions of agricultural production. We must in no way slacken our efforts in grain production, actively develop a diversified economy in agriculture and strive for an all-round growth of agriculture. We must protect and rationally use various agricultural resources so as not to destroy any ecological environment, and to further improve it in certain respects.

Section One: Raising Crops

In 1985, the targets for the output of the main crops are as follows:

Grain: 360 million tons, 12.3 percent more than the 320.56 million tons in 1980, including soybeans, 11.5 million tons; a 44.8 percent increase over the 7.94 million tons in 1980;

Cotton: 3.6 million tons, 33 percent more than the 2,707 million tons in 1980;

Oil-bearing crops: 10.5 million tons, 36.5 percent more than the 7.69 million tons in 1980;

Sugar-bearing crops: 46.7 million tons, 60.4 percent more than the 29.11 million tons in 1980 (including sugarcane, 35.88 million tons and sugar beet, 10.82 million tons); and

Cured tobacco: 1.3 million tons, 81 percent more than the 717,000 tons in 1980.

The best way to fulfill the plan to increase crop yields is to rely on party policies in order to further arouse the peasants' enthusiasm in production. In the course of stabilizing and improving the system of responsibility for production, we should support the specialized households and the households doing specialized jobs besides crop cultivation, and promote the combination of various forms in promoting the development of rural cooperative economy. We must uphold the system of collective ownership of the basic means of production including land, and pay particular attention to the preservation of farmland and water conservation facilities.

By assigning the acreage for the planting of major agricultural crops, setting procurement targets, signing procurement contracts and implementing the correct price policy, we will guide the peasants in arranging a rational crop pattern so that the supply of agricultural products will be generally adequate for the demands of society. During the Sixth Five-Year Plan, the national grain acreage should remain stable at 1.7 billion mu, and must not be further reduced. Suitable adjustments can be made within the provinces and autonomous regions according to local conditions. All regions suitable for grain crops should develop such crops. In those regions which are suitable for the development of both grain and cash crops, grain crops should still enjoy priority. In some sandy land, saline-alkali land or steep slopes which are unsuitable for grain crops, we should refrain from making futile efforts in growing such crops. The national acreage of cotton will be stabilized at approximately 85 million mu, and rational adjustments can be made among different regions. For oil-bearing plants, the acreage of rapeseed should be controlled while that of peanuts and sesame should be suitably increased. For sugar-bearing crops, the acreage of sugarcane in the south should remain basically stable while that of beetroot in the north should be suitably increased. Every effort should be made to increase the per-unit output of both grain and cash crops and to improve the quality of products. The state will set the quotas for procurement, the tasks for assigned procurement and the amount of procurement of the major agricultural sideline products. Some surplus will be procured at increased prices, others will be procured at reduced prices, and still others will be sold by the peasants themselves.

The state will give preferential treatment in investment and material supplies to further arouse the enthusiasm of the peasants in production in the grain producing areas. The building of commodity grain bases will be strengthened in a planned way. In the Sanjiang Plain of Heilongjiang, the central portion of Jilin, the Boyang Hu of Jiangxi, the Pishiyang irrigated area in Anhui, the Dongting Hu of Hunan, the Jiangnan Plain of Hubei, the central portion of Henan, and the Hexi corridor of Gansu, the counties having favorable conditions will be chosen for building commodity grain bases. At the same time, active efforts should be made to help the provinces and autonomous regions which have to bring in grain to develop grain production. Economic incentives will also be given to those regions which have supplied above-quota grain to other places and those which have reduced the amount of grain to be brought in.

During the Sixth Five-Year Plan, the following measures will be adopted in agricultural production technology:

1. We will select and popularize improved varieties. In 5 years, the acreage of hybrid rice and maize will be increased by 100 million mu to 420 million mu. The acreage will also be increased by 200 million mu for the regular varieties of major grain crops, and by another 200 million mu for the purification and rejuvenation of seeds. For cotton, the acreage will be expanded by 30 million mu for the new strains to be popularized, and by another 30 million mu for the purification and rejuvenation of seeds. A number of improved varieties should also be popularized for oil-bearing plants, sugar-bearing plants, tobacco, hemp, tea, mulberry, fruit trees and vegetables. A system will be set up for the breeding and popularization of improved varieties.
2. We will increase the amount of fertilizers to be applied and improve the composition of chemical fertilizers and the techniques of fertilizer application. In 1985, the acreage for green manure will be approximately 130 million mu in the 13 provinces, municipalities and autonomous regions in the south, and approximately 40 million mu in the 10 and more provinces and autonomous regions in the north. While increasing the sources of fertilizers including that of barnyard manures, greater efforts should be made for the supply of chemical fertilizers, particularly for increasing the proportion of phosphate and potash fertilizers. The methods of chemical fertilizer application should be improved, and the method of deep application should be popularized.
3. We will strengthen farmland water conservancy. Some small and medium-size farmland water conservancy projects should be started during the winter and spring every year. For the large water conservancy projects, the auxiliary projects for the existing facilities should be strengthened. In 5 years, the irrigated areas should be expanded by 20 million mu.
4. We will step up the prevention and control of plant diseases and the elimination of pests. In 5 years, we plan to basically bring under control such pests as army worms, rice borers, delphacodes striatella, corn borers, boll worms, rice blast, wheat rust, cotton rust, cotton wilting, and the aclerotium of rapeseed. We must also be careful in controlling the spread of American white moths, the "yellow dragon" [7806 7893] disease of tangerines, and potato canker in our country. During the Sixth Five-Year Plan, active measures should be taken and greater efforts should be made to increase the production of insecticides of high efficiency, low toxin and low poisonous residue. The agriculture departments should as soon as possible work out the rules and regulations for plant quarantine in the country including the coastal ports.
5. We should energetically popularize and develop new agrotechniques. The techniques of covering the land with plastic sheets and nursing seedlings in greenhouses, and the technology of overall control of saline-alkali land along the Huang He and the Huai He, and of overall control of soil erosion in the loess plateau in the northwest should be popularized in a planned way.
6. We should guarantee the priority of the supply of diesel oil, electric power and farm tools required for agricultural production. The small and medium-size farm machines, the bamboo and wooden farm tools, and the small farm tools urgently needed in the countryside should be available in more varieties and better quality so that the demand for them can be met to the extent possible.

7. Land reclamation should be carried out in suitable areas. To make better use of land, we must strictly control the use of farmland for other purposes.

8. The ranks of scientific and technical personnel in the countryside should be stabilized, agro-techniques should be improved, and the responsibility system should be popularized. Scientific experiments in agriculture and the concept of service among the technology-popularization units should be strengthened. We should also bring into play the exemplary role of technical experts and speed up the dissemination of technology for increasing output.

9. The state farms should be run effectively through better management and administration. In 1985, the major technical and economic targets of all the state farms in the agricultural-reclamation system of the country should surpass the best records ever attained, and all enterprises hitherto incurring losses should turn these losses into profits.

Section Two: Livestock Breeding

In 1985 the production target of important livestock products will be as follows:

The output of pork, beef and mutton will reach 14.6 million tons, an increase of 21 percent, compared with 12.05 million tons in 1980. We will strive to raise the rate of the number of livestock out of inventory, pork production rate and commodity rate. The number of pigs in inventory should remain stable above the 300 million level, and the proportion of slaughtered hogs should be raised from 62 percent in 1980 to more than 75 percent. The ratio of lean pork type hogs to the hogs in inventory should be also increased.

We will raise the output of poultry, eggs, milk and bristles and, depending on local conditions, develop higher quality breeds of livestock, fowl, bees and rabbits peculiar to the various localities and raise such rare animals as marten and musk deer.

The major measures to develop livestock breeding are:

1. We will actively implement the various policies. Livestock farming may take different forms, to be run by the state, by collectives or by individuals; and individual households are encouraged to raise livestock and become specialized in this line. Support, assistance and guidance should be given to various forms of combined types of agriculture and animal husbandry and combined herding-industrial-commercial enterprises all organized under the principle of voluntary participation and mutual benefit.

2. We will continue to readjust the proportion of different animals in livestock breeding. While developing our ability to raise pigs, we also will raise cattle, sheep and rabbits fed mainly on herbage, raise the proportion of female animals and popularize the method of fattening up lambs to be butchered in the same year.

3. We will intensify the construction of grasslands in the pastoral regions, expanding the man-made grasslands in 1985 to 100 million mu as against 32 million mu in 1980. In the south, we should appropriately make use of the grassy mountains and grassy slopes for raising cows and sheep. On the loess plateau in the northwest, we should energetically plant grass or grass and crops by rotation. In the farming areas and the semifarming and semiherding areas, we should popularize the use of ensilage and improve the methods of storage.

We will process chaff, bran and rice dregs to turn out byproducts and develop the fodder industry by establishing joint factories and through many other means. During the Sixth Five-Year Plan period, we will attend the preparations for building fodder additive plants.

4. On the outskirts of the large and medium-size cities and in the vicinity of large enterprises and mines, we will actively develop the raising of milk cows and sheep by collectives and peasant households to improve the supply of fresh milk in the cities. On the breeding grounds of these cows and sheep, we should actively prepare for the setting up of small milk products processing enterprises so as to increase the supply of milk to the large and medium-size cities.

5. We should carefully proceed with the readjustment and reorganization of animal farms, run frozen semen stations and liquid nitrogen stations well, reorganize the veterinary stations and step up the work of popularizing the scientific and technological achievements in animal husbandry, veterinary treatment and the management of pastures. Epidemics which frequently occur among animals and fowl should be basically brought under control, or eliminated within 5 years.

Section Three: Aquatic Products

To develop aquatic products, we must uphold the principle of stressing the protection of resources, actively developing breeding, and improving the methods of processing and preserving the freshness; fully exploit and rationally utilize the water surfaces and the sea; and actively increase output and improve quality.

By 1985, the output of aquatic products will reach 5.1 million tons, an increase of 13 percent over the 4.5 million tons in 1980. To protect the resources, some restrictive measures will be continued regarding fishing in nearby seas and the inland water areas, so that the increase in aquatic products output will mainly depend on the development of breeding. The amount of fresh-water agricultural products will reach 1.6 million tons, an increase of 78 percent compared with the .9 million tons in 1980, while sea-water agricultural products will reach 550,000 tons, an increase of 25 percent over the 440,000 tons in 1980.

The main measures for developing aquatic products are:

1. Move toward settling the question of who has the right to use the lakes, ponds and weirs, water reservoirs and shoals; actively develop contracts with the specialized and key households, develop agriculture by the families of

commune members and encourage various forms of joint venture. In 1985, the acreage of fresh-water agriculture will reach 59 million mu, 16 million mu more than in 1980. Special breeding in small water areas will be developed mainly in selected areas at the middle and lower reaches of the Chang Jiang and the Ju Jiang Delta. Seawater aquiculture will cover an area of 2.5 million mu, 500,000 mu more than in 1980.

2. Carefully solve the problems of fry and feed. In 5 years, we will arrange to build 40 fresh-water breeding grounds for superior and other breeds, and add or expand another 40 for seawater shellfish and other precious sea products. We will increase the feed through comprehensive utilization and rotational utilization for agriculture, animal husbandry and fishery products, utilize and plant more greenfeed, and build some small feed-processing plants in those areas where production is concentrated.

3. Build a number of fish and shrimp breeding bases with steady and high yields. In 1985, the area of fishery bases for breeding fresh-water aquatic products as commodities will be increased from 450,000 mu in 1980 to 1 million mu; and the output will reach 116,000 tons, an increase of 100,000 tons over 1980. We will continue to build or expand commodity bases for breeding fish, shrimp and other precious sea products, and by 1985, the output of seawater products will reach 58,000 tons, an increase of 52,000 tons over 1980.

4. Develop open-sea resources. By 1985, the catch in the open sea will be increased from 200,000 tons in 1980 to 300,000 tons.

5. Increase the facilities for processing and keeping the products fresh, and develop comprehensive utilization.

6. Strengthen fishery administration and implement various fishery statutes. There should be a system of fishery permits, and fishing in nearby seas should be restricted in order to protect the aquatic resources.

Section Four: Rural Industry and Sideline Production

During the Sixth Five-Year Plan period, there will be a fairly rapid growth of the output value of industrial and sideline production in the countryside. Existing industrial and sideline enterprises in the countryside will be readjusted and consolidated and put under more effective management. Rural industry and sideline production should be based on local resources and include the development of crop raising, breeding, processing of agricultural sideline products, small-scale mining, communications and transportation, the construction and building materials industry, commerce, service and repair businesses and so forth. All areas should provide active guidance for rural industry and sideline production. Without violating the relevant state regulations and based on the principle of helping agricultural production without competing for energy and raw materials with the large industries, they should state clearly the direction of development in industrial and sideline production for their localities, and help them improve managerial efficiency and produce popular products of good quality.

Section Five: Water Conservancy

The main tasks in water conservancy during the Sixth Five-Year Plan period are:

1. Consolidate the existing capacity of the large rivers such as the Huang He, Chang Jiang, Huai He and Hai He to control floods and ensure the security of the major sections of the dikes and of major cities. The thickness of dikes at the lower reaches of the Huang He will be increased several times over; the river bed will be dredged and safety measures against flood will be taken at the flood-detention areas as a precaution against a flood like that of 1958. At the same time, soil conservation work will be actively developed at the middle reaches, and the key soil erosion areas will be treated in a planned way.

Regarding the Huai He, great importance should be attached to the strengthening of the dikes along the main river and to the engineering work for the flood detention areas along its valley so as to increase the flood-control power. The opening of the Ci Huai will be continued in preparation for diverting the flood from the Huai He and draining water from the Huaibei area.

Regarding the Chang Jiang, the main tasks are to strengthen the main dike at Jingjiang, and to gradually improve the important sections of the dike at Tongma, Wuwei and Wuhan so that they can withstand a flood like that of 1954.

Regarding the Hai He, the left dike of the Yongding He should be strengthened and the Wei He should be dredged. The Miyun Reservoir should be strengthened and the Yuecheng Reservoir should be made strong enough to withstand earthquakes. The engineering project to strengthen the Guanting Reservoir should be continued.

For the Songhua Jiang, Liao He and Ju Jiang, necessary measures should also be adopted to increase their power to control floods.

2. Provide the necessary sources of water. Our main concern is to complete the Panjiakou and Daheiting reservoirs and the engineering work of diverting the water of the Luan He to Tianjin to bring water to the city and ease the water shortage in the Beijing-Tianjin area.

3. Carry out water conservation construction in the key marketable grain bases on the plains along the Wusuli, Songhua and Heilong rivers in Heilongjiang Province, Poyang Lake district in Jiangxi, Dongting Lake district in Hunan and the Pishihang irrigated area in Anhui, and gradually improve the drainage and irrigation conditions in these places.

4. Intensify water conservation construction in various localities. First of all, we should strengthen the present engineering management and the auxiliary projects so as to bring about better engineering results. In 5 years, the provinces, municipalities and autonomous regions concerned will continue the 20 large-scale water conservation projects, including the improvement of Heilonggang in Hebei, the irrigation of Yongjijuancun with water from the Huang He in Shanxi, the Biliuhe reservoir in Luda, Liaoning, the Niutoushan reservoir

of Linhai in Zhejiang, the Tieshan reservoir in Yueyang, Hunan, the Baipanju reservoir in Huidong, Guangdong, the Shengzhong reservoir in southern Sichuan, the irrigation of Donglei with water from the Huang He in Heyang, Shaanxi, and the water pumping project in Guhai, Ningxia. Those reservoirs having latent troubles or too low standards should be gradually strengthened. At the same time, the auxiliary projects and the management of existing farmland water conservation facilities should be stepped up so as to bring their potential into full play. We should continue to mobilize the peasants to increase the investment of labor for effective construction of irrigation and water conservation works.

5. Work out supplementary plans for work on the valleys of the Huai He, Hai He, Ju Jiang, Chang Jiang, Liao He and Songhua Jiang, and continue to study the plans for flood prevention and for irrigation in the lower reaches, and the plans for comprehensive treatment and exploitation of the middle and upper reaches of the Huang He. Feasibility studies should also be carried out as preparation for larger water conservation projects in future.

Section Six: Meteorology

During the Sixth Five-Year Plan, our meteorology undertakings will make use of the necessary new technology and tap the existing technical potential with the aim of "accuracy, speed and economy." Meteorology and many other means will be employed to serve the national economy and national defense for the purpose of avoiding disasters and taking advantage of the weather conditions.

1. Increase the capability of observing and forecasting destructive weather. In 5 years, we will launch weather satellites and form a transmission and receiving network between these weather satellites and the ground, update the existing radar equipment and improve the auxiliary equipment and management, and gradually increase the number of weather stations or centers in the hilly and mountainous regions, in the sea, and on the islands and plateaus.

2. Increase the accuracy of weather forecasts. The national and regional weather centers should provide more active guidance to all weather stations throughout the country. We will set up a system of short-range forecasts of torrential rains or other inclement weather conditions and actively develop various types of special services.

3. Develop facsimile communications, to improve and be more prompt in relaying and transmitting weather information. We will gradually establish high and medium speed transmission circuits for the international and domestic weather information trunk lines. We will also set up wireless communication networks specially for weather information along the coast at selected areas, and, in some large cities, ultrashort wave networks to serve as a weather warning service system.

4. Improve the service of processing weather (climate) data and strengthen the infrastructure work for agricultural meteorology.

5. Reform the meteorological administration. We will step up education and scientific research work in meteorology, strengthen the scientific research force, and further modernize the means of such scientific research.

Chapter 8: Forestry

Our country has little forest area, a low percentage of forest cover, and an increasingly poor ecological environment. The contradiction between supply and demand in timber and timber products is becoming more and more serious. During the Sixth Five-Year Plan, we must earnestly implement the policy of taking afforestation as the foundation, carefully protect and manage the existing forests and strictly prohibit indiscriminate felling. We should energetically plant more trees to increase forest resources and the percentage of forest cover. We should also use timber rationally and bring into full play the various useful roles played by forests.

Section One: Afforestation

During the Sixth Five-Year Plan period, we will continue to build up shelterbelt networks in northwest, north and northeast China, and particularly in the middle reaches of the Huang He where soil erosion is serious and in the sand dune areas in the northwest, so that the shelterbelts in the "three northern" areas will form complete networks and produce their good effects. On the plains and in river-webbed areas, strenuous efforts should be made to build farmland shelterbelts and plant trees on the fringes of villages, along rivers and roads and around cottages. Stress should be laid on building fast-growing, high-yielding forests and economic forests.

In 5 years, a total of 290 million mu of land should be afforested throughout the country. The quality of afforestation should be guaranteed. Efforts should be made to raise the survival rate to over 60 percent by 1985 so that the forest cover of the country can be increased.

The major measures to accomplish these tasks are as follows:

1. We should bring into play the initiative of all sectors and conscientiously organize nationwide afforestation campaigns. We must implement the forestry policies of the party and the state, define and stabilize the proprietary rights over mountains and forests, and establish and perfect various forms of the responsibility system. To support and encourage afforestation by individuals, we should, under the unified plans of the local governments, allot suitable areas of barren mountains, barren slopes and wasteland to the peasant households for tree planting. We must uphold the policy of ownership of the land by the persons who plant trees on it, and this policy should remain unchanged for a long time. As to the fairly large number of adjoining tracts of barren mountainous areas or wasteland which are suitable, or under favorable conditions for collective afforestation, we should continue to develop collective forest farms, specialized afforestation teams or specialized households in order that

afforestation be carried out professionally. On the plains and in the hilly and river-webbed areas, afforestation should be carried out mainly by the collectives or separate households, and a specific responsibility system should be set up. In the southwest, northwest and other border and remote mountainous areas where conditions are favorable, the state will subsidize aerial sowing in afforestation gradually so that, during the Sixth Five-Year Plan, approximately 20 million mu will be sown each year.

2. Under the unified plans of the departments in charge, certain areas, suitable for afforestation, should be allotted to coal production, paper making, and other sectors which use timber, as well as the industrial and mining enterprises to be used as special timber bases. We can also organize combined afforestation and processing enterprises in many different forms.

3. We should strive to reactivate the old forest areas and selectively set up state commercial timber bases. We should also consolidate and develop the existing forest bases and state forest farms, step up our work of reafforestation and of helping the growth of young and middle-age trees through selective felling. At the same time, we should gradually enlarge the areas of forest farms, and particularly the fast-growing and high-yielding forests in the southern regions.

4. We should earnestly carry out the principle of attaching equal importance to afforestation and forest management and strengthening the management and protection of forest trees. The departments in charge of forestry should improve the system of responsibility for forests, work out elaborate rules and regulations for sealing off the mountains for the nursing of saplings, carefully attend to the protection of forests by guarding against fire and pests, strengthen the control over felling in forest areas, and strictly prohibit the destruction of forests in land reclamation work. Those who encroach upon other's rights over their woods and undermine the forest resources should be punished according to law.

Section Two: Lumbering and Transportation

By 1985, the output of timber will reach 55 million cubic meters, 2.6 percent more than in 1980. Of this, 31 million cubic meters, 1.3 percent more than in 1980, will be handed over to the state. In the 5 years, a total of 39.1 million mu of cutover will be reforested. Of this, 31 million mu will be reforested through artificial regeneration. The newly added timber production capacity will be 3.2 million cubic meters.

To fulfill this plan, the following tasks should be carried out:

1. Earnestly carry out the state policy with regard to timber and strictly control the cutting of trees. No state forests are to be transferred to collectives and individuals. Nor should the collectives be allowed to distribute their woods to private individuals. Firm and effective measures should be taken to stop destructive lumbering. The timber production plan for turning over to the state as drawn up by the State Council should be strictly followed.

Above-quota cut is not permitted; intercepting and holding on to state timber is also forbidden. State monopoly of purchase and marketing of timber should be implemented conscientiously, free timber markets should be closed, and negotiated price for timber or negotiated price in disguise should be banned. The industries and sideline production in which timber is used as fuel or raw materials (including those operated by communes, production brigades of teams, or individuals) in forest areas should be reorganized and streamlined.

2. Rationally use state investment. This investment should be used mainly in building late-stage forest farms, roads and electric power equipment for the forestry industry enterprises and the collective forest farms of counties with an annual output of more than 50,000 cubic meters in the south, to continue the building of 18 forestry bureaus and to build three other new forestry bureaus, to strengthen scientific research in the forestry industry, to popularize the fast-growing and high-yield species, to guard against pests and forest fires, and to replace the dangerous buildings or build more workers' dormitories.

3. Ascertain the forest resources and then verify the timber output of the forestry industry enterprises, so as to organize production rationally and to accomplish continuity of work.

Section Three: Forest Product Industry

During the Sixth Five-Year Plan period, it is necessary to develop the production of artificial boards made of left-over materials from lumbering, bucking and timber processing, continue to do well in the comprehensive utilization of timber and promote the production of forest chemical products including resin, tannin extract and shellac.

By 1985, the output of artificial boards should reach 1.2 million cubic meters, an increase of 55.8 percent over 1980. According to the plan, the 10 and more artificial board plants to be set up in Fuzhou of Fujian, Changsha of Hunan, Linjiang of Jilin and so forth should increase the productive capacity of artificial boards by 228,000 cubic meters. In production and construction, the artificial board plants should first attend to the production of particle boards and fiber boards of medium density, and then gradually develop it after successful experiments.

Management of the sawing industry should be strengthened so as to raise the rate of comprehensive utilization of timber. Concentrated and unified processing of timber should be gradually introduced in the cities. The sawmills in forest areas should strictly follow the state's timber processing plan. Those sawmills that do not have regular sources of raw materials, and whose technology is backward resulting in high consumption of timber materials, poor quality of products and high production costs should be closed. The small processing factories should use ungraded materials and the odds and ends left over from lumbering, bucking and processing for raw material. The collection of these odds and ends should be stepped up, and the production of wooden planks should be developed so that the industrial utilization rate of left-over materials can be raised.

We should bring into play the initiative of the central departments, the localities of the enterprises, raise funds through various channels, and actively develop the comprehensive utilization of timber according to the conditions of resources and the market demand.

Chapter 9: Consumer Goods Industry

During the Sixth Five-Year Plan period, the development of the consumer goods industry should be highly regarded, and continued efforts should be made to accelerate the development of the light and textile industries. In line with the rise in the people's living standards in both the urban and the rural areas and the change in the pattern of consumption, we must produce popular high and medium-grade goods, new goods, brand-name goods of fine quality, goods needed in the countryside, and competitive goods for export. At the same time, we should strive to reduce material consumption and production costs.

Section One: Textile Industry

1. Cotton textile industry. The planned output of cotton yarn for 1985 is 3.594 million tons, 22.8 percent more than the 2.926 million tons of 1980; and output of cloth, 15.3 billion meters, 1.83 billion meters more than the 13.47 billion meters in 1980.

The output of knit goods should be increased to meet the people's demand for greater varieties. In 1985, the amount of yarn will reach 690,000 tons, an increase of 190,000 tons more than the 500,000 tons in 1980, or an increase of 38 percent.

Our cotton spinning capacity will be increased by 4.7 million spindles in 5 years. This will be achieved mainly by expanding and transforming the existing mills, in addition to the construction of some new mills in cotton-producing areas along with the readjustment of the distribution of the textile industry. The specific arrangements are as follows: In Shandong, Henan, Hubei, Hebei, Jiangsu, Anhui and other key cotton producing areas where the increase in output has been fairly rapid, 1.9 million spindles will be added. In Sichuan, Jilin, Heilongjiang and Fujian where fairly large amounts of textile products will be brought in, 600,000 spindles will be added. In Shanghai, Tianjin, Beijing, Guangdong, Liaoning and Zhejiang, where the amounts of both exported products and commercial yarn brought in are fairly large, 800,000 spindles will be added. In Nei Monggol, Guangxi, Guizhou, Yunnan and Xinjiang and other national minority and border or remote provinces and autonomous regions, 380,000 spindles will be added. Thus by 1985, the increased output of cotton yarn in the five major cotton-producing regions--namely, Hebei, Shandong, Henan, Hubei and Jiangsu--will amount to 39 percent of the total increased national output; for those provinces and autonomous regions which have for a long time relied on cotton yarns from other places, the amount to be brought in for them will be reduced; the output of textile products in those provinces and autonomous regions where textile products had to be brought in for a long time, will be

markedly increased; and the designs and varieties of textile products in the main export areas will be more suitable for the demands of the international market.

2. Wool and linen industry. In 5 years, the wool spinning capacity will be increased by 470,000 spindles. In 1985, the country will produce 180 million meters of woollen fabrics, 78 percent more than in 1980, and 90,000 tons of woollen yarn, an increase of 58 percent over 1980. We will raise the proportion of woollen piecegoods, increase the output of blended woollen fabrics, and use goat hair, camel hair and rabbit hair as raw materials to produce various special woollen fabrics. The dyeing and finishing equipment should be improved to raise the technical and technological levels and to reduce damage to wool during processing, and special finishings should be adopted to guard against shrinkage and moth damage so as to improve the property of woollen textile products.

According to the requirements of centralized handling of raw materials in a rational economic way, new as well as extension projects will be undertaken in the 5 years in the sheep wool producing areas such as Nei Menggol and Xinjiang, also in Shanghai, Beijing and Tianjin, which use a lot of imported wool, so that the production capacity of woollen strips will increase by 30,000 tons.

We should appropriately develop the production of flax and ramie products, and enlarge the use of jute. In 5 years, the productive capacity of linen fabrics will be increased by 90,000 spindles.

3. Silk industry. It is necessary to bring into play the traditional techniques and skills of silk production and increase the variety of special products. To meet the requirements of exports, domestic sales and the special national taste, we should actively develop the production of interwoven products made of silk and other fibers, increase the width of fabrics and add more jacquard, printed designs and crease-proof knit goods so as to increase the varieties. In 1985, the output of silk should reach 43,000 tons, a 23 increase over 1980, and that of silk products, 1 billion meters, a 32 percent increase over 1980.

4. Chemical fiber industry. In 1985, the production of chemical fiber will be 780,000 tons. The production capacity of chemical fiber will be increased by 380,000 tons in the 5 years. The priority items are: The second-stage engineering construction in Jinshan, Shanghai; the Jiangsu No 1 branch of Yizheng Chemical Fiber Mill, the Daqing Acrylic Fiber Mill, the polyester fiber filament plants in Beijing, Tianjin and Shaoqing of Zhejiang; the cord fabric plant in Pingdingshan of Henan; and the expansion of artificial silk plants in Baoding of Hebei, Taipingdian of Hubei, Hangzhou of Zhejiang, and Shaoyang of Hunan. By 1985, the country will be able to become self-sufficient in chemical fiber raw materials. The output of chemical fiber filaments will be increased from the present 60,000 tons to 120,000 tons, and there will be more textile fibers for new designs and varieties of chemical fiber products.

In 5 years, we have to carry out technical transformation and equipment renovation in the old plants in the textile industry, and adopt new techniques to solve the key technical problems of polyester fiber filaments, polyester fiber strips, the finishing of chemical fiber knit goods, the dyeing and finishing of silk, and other special problems related to chemical fiber textiles.

We must also improve the auxiliary equipment for printing, dyeing and finishing various types of chemical fiber knit goods. First, we will improve the printing, dyeing and finishing equipment of terylene-cotton fabrics, and then increase appropriately the production lines for dyeing and finishing various chemical fiber products.

Section Two: Papermaking Industry

During the Sixth Five-Year Plan, the main task in the papermaking industry is to readjust its product mix and, while ensuring the production of paper for cultural and publication purposes and paper for industrial use, lay stress on the development of various kinds of packing paper and paperboard, and increase the production of high-grade printing paper and coated paper. By 1985, paper output will reach 6 million tons, a 12 percent increase over the 5.35 million tons in 1980. Newly added papermaking capacity in the 5 years will be 1.06 million tons. Special attention will be paid to expansion of the three large paper mills in Qiqihar of Heilongjiang, in Nanping of Fujian and in Guangzhou of Guangdong, and the increase of newsprint output. The production capacity of various kinds of packing paperboard will be increased by 500,000 tons through the construction of extension projects and technical renovation. We will import the production techniques for cellophane and polyester web, and the equipment for acid recovery.

We will strengthen the mesh part of papermaking machines, transform the pressing and transmission equipment and increase their efficiency. We will also popularize the techniques of sealing off and circulating water in papermaking machines, lower the consumption of soda, save water, reduce pollution, and improve the economic results of papermaking.

To fulfill the papermaking plan, we should adopt many different ways to increase the sources of raw materials, run the reed bases well, and conduct experiments in the "combination of forestry and papermaking" in Hunan and Jiangxi. We will make good use of various types of grass as raw materials and make greater efforts in the recovery and utilization of discarded paper and cotton.

Section Three: Food Industry

1. Sugar. In 1985, sugar output is expected to reach 4.3 million tons, a 67.3 percent increase over the 2.57 million tons in 1980. We will rely mainly on the expansion of old plants, the improvement of the pressing technology, making better use of the infusion and extraction devices, and at the same time build new facilities, if necessary. The sugar refining capacity will increase by 1.88 million tons in the 5 years.

We will pay full attention to the comprehensive utilization of sugar byproducts, and take active measures to utilize the dry yeast and lysine produced in molasses.

2. Beer. Beer production capacity will increase by 1.5 million tons in the 5 years. In 1985, the output of beer will be 2 million tons, a nearly 3-fold

increase over the .69 million tons in 1980. In 1985, the large and medium-size cities, tourist spots and key industrial and mining areas will be adequately supplied with beer.

3. Cigarettes. In 1985, the output of cigarettes will be 20 million cases, 32 percent more than the 15.20 million cases in 1980. Through enterprise consolidation, centralized management and state monopoly, cigarette production will be organized strictly according to a unified plan. Efforts will be made to improve the quality of cigarettes and to increase the number of brand-name products, and the output of filter-tipped cigarettes and cigarettes wrapped in aluminum foil.

4. Salt. The output of salt for 1985 will be 16.5 million tons. We will carefully carry out technical transformation, improve the labor conditions and strengthen the management of transportation and marketing.

All localities will actively develop the production of beverages, candies, pastries, milk products, baby-food, convenience food, canned food, port wine, Chinese wine, famous brand and fine quality white wine, and various condiments, according to local resources and market needs.

If conditions permit, they should also develop special oil and fat for food, various types of food additives and other basic raw material industries. While consolidating the original bases of food raw materials, some new bases of fruits, vegetables and spices should be added. All foodstuffs must go through strict inspection before leaving the factory, and any foodstuff not up to the sanitary standards cannot be sold. Particular attention should be paid to inspection when foodstuffs are sold as industrial products by scattered commercial outlets.

Section Four: Durable Consumer Goods Industry

The 1985 targets of major products are as follows:

Bicycles 33 million, a 1.5-fold increase over that of 1980. We should mainly develop light and convenient bicycles, bicycles with gears, bicycles for women, and heavy-duty bicycles suitable for the countryside. The proportion of brand-name and fine quality bicycles will be raised from 38 percent in 1980 to 50 percent.

Sewing machines, 14 million units, 62 percent more than in 1980. Regarding household machines, we should mainly increase the output of multipurpose and light machines. Regarding industrial machines, we should mainly increase the output of high-speed and special machines to meet the requirements of the development in the garment, knitting, footwear and headgear industries and in leather processing.

Watches, 45 million, 98.5 percent more than in 1980. We should mainly develop women's watches, automatic watches, calendar watches, high-grade thin watches and "economical" watches for the countryside. After effectively developing the production of the necessary components, we will appropriately develop electronic watches.

Washing machines, 3.5 million, a 13-fold increase over 1980.

Tape recorders, 4.5 million, a 5-fold increase over 1980.

TV sets, 7 million, a 1.8-fold increase over 1980.

The output of electric fans, alarm clocks, wood frame clocks and radio sets will be restricted and their quality will be improved. We will gradually introduce the new quartz and electronics technology to promote the upgrading of mechanical clocks and alarm clocks. The output of refrigerators will be increased in a planned way after solving the problems of the key parts and in accordance with demand. Production will develop on the basis of lower energy consumption.

During the Sixth Five-Year Plan period, the layout of durable consumer goods production and the increase in productive capacity must strictly follow the planned stipulations and the principle of geographic distribution so as to avoid acting too rashly. We should strengthen specialization and cooperation and develop interregional integration.

Section Five: Chemical Goods for Daily Use

During the Sixth Five-Year Plan period, efforts will be made to develop plastics, detergents, light-sensitive materials and cosmetics. Marked progress should be made in phasing out outdated products.

1. Plastic products. We will increase the output of plastic sheets for farming, tubing, auxiliary industrial products, containers, building and decorative materials and articles for daily use. By 1985, the output of plastic products should reach 1.55 million tons, an increase of 36 percent over the 1.14 million tons in 1980. To meet the increased use of plastic products, we should increase the production of goods in short supply. We will form a number of production centers producing plastic products of various types throughout the country with the key enterprises in the leading role, and make use of plastic materials as substitutes for timber, metal and glass.

2. Detergents. Stress will be laid on the development of synthetic detergents. In 1985, the output should reach 700,000 tons, 78 percent more than the 393,000 tons in 1980. We will actively develop detergents for various purposes, and surface-active agents; and adopt compound prescriptions to improve its efficiency and low-sudsing laundry powder and special liquid detergents for laundry, kitchen and toilet uses; increase the output of detergents for cleaning metals as a substitute for gasoline. In 5 years, along with the operation of two large facilities--the alkylbenzene producing plant in Nanjing and the sodium pentachlorophenate plant in Yunnan--the raw materials for detergents will be basically able to maintain their foothold in the country. The proportion of detergents made of industrial raw materials will be raised from 30 percent in 1980 to 40 percent. At the same time, we have to make full use of various types of oil and fat to increase the output of soaps.

3. Other chemical goods for daily use. We will promote the production of roll film, X-ray film, photo-printing paper and other light-sensitive materials; develop the production of high-capacity batteries and metal button-type batteries; and actively increase the output of cosmetics, essences and spices.

Section Six: Other Light Industries

1. Leather products. We will actively develop the making of leather from pig-skin and sheep-skin. Special efforts will be made to improve finishing work, step up comprehensive utilization and raise the grade of products.

2. Silicate industrial products for daily use. The quality of ceramic items should be improved on the basis of a steady output in order to meet the needs of the domestic and foreign markets. For glassware, we must raise the technical level of production among the existing enterprises, reduce the breakage rate, and greatly increase the production of large bottles and urns. We must improve the designs and strive to increase the popularity of enamelware for daily use.

3. Hardware. New techniques, new technology and new materials should be used and we should study and work out new technical standards.

4. Footware and headgear. Product design should be improved and the specifications, models, designs and styles should be increased to suit the needs of the various types of consumers, particularly the children, young people and old people, in different seasons of the year. Efforts should also be made to increase the competitive power of these products on the international market.

5. Arts and crafts. We should improve the design, develop new products, and strive to increase national exports and foreign exchange earnings.

6. Furniture. We should carefully carry out the comprehensive utilization of timber, open more new sources of raw materials, and continue to develop various types of furniture, including all-steel, steel-wood, steel-plastic and light metal furniture. For making wooden furniture, we should focus our efforts in the direction of using planks, dismantling for reuse, assembling and multipurpose use.

Further, in accordance with market demand, we should actively develop electric lighting, teaching materials, articles for daily use by various nationalities, and other small commodities.

Chapter 10. Energy

Energy shortage is a very important factor in restricting our national economic development. During the Sixth Five-Year Plan period, we must be careful in energy conservation and step up energy exploitation to meet the requirements of the national economic growth and to prepare for the development of the Seventh Five-Year Plan.

Section One: Energy Conservation

The key to fulfill the production tasks according to the Sixth Five-Year Plan is to vigorously reduce energy consumption. This is also an important way to improve social economic results.

In 1985, the nation's total output of primary energy (coal, petroleum, natural gas and hydropower) will equal 682.9 million tons of standard coal, a 45.7 million-ton increase over 1980 and an average annual growth rate of 1.4 percent. During the period of the Sixth Five-Year Plan, industrial production will grow at an average annual rate of 4 percent; this will be achieved mainly by conserving energy.

The energy to be saved in these 5 years will be equal to 70-90 million tons of standard coal. In this conservation drive, the focus is on heavy energy consumption areas--east China, the northeast, as well as Beijing, Tianjin and Sichuan--and on high energy-consumption sectors such as the power, metallurgical, chemical, building material and petroleum industries and transportation, including railways.

The major measures for energy conservation in the industrial and transportation sectors are as follows:

1. Strengthen control of energy. We must achieve an energy balance for the whole country and for the regions, departments and key enterprises, strengthen the standardized measurement control, and set up and improve the quota system of energy consumption per unit and a system of checking on the comprehensive energy consumption along with a suitable system of rewards and punishments.
2. Readjust the industrial structure, enterprise structure and product mix. A number of enterprises should be closed, suspended, merged or retooled for other lines of production on the basis of their energy consumption, the quality of their products and their production costs. At the same time, efforts should be made to lower the iron-steel ratio, change the product mix of chemical fertilizers, substitute hollow bricks for solid bricks, and cement pressure pipes for cast-iron pipes, develop a welding structure, use less pig iron and restrict the making and use of indigenous coke.
3. Develop technical transformation with energy conservation as its focus. In 5 years, the state expects to save 8.5 million yuan through energy conservation, and with the addition of another 3.8 billion yuan from various regions and departments, there will be a total saving of 12.3 billion yuan. Of the 1,303 energy-saving projects arranged for the Sixth Five-Year Plan period, 195 involve major technical transformation which will each require more than 10 million yuan of investment. These projects can be classified into three main categories: First, those involving large output and being used in a wide range, including the renovation and transformation of 26,000 industrial boilers of low heat-efficiency, 16,000 industrial kilns of various types, 100,000 sets of blowers and water pumps, and 280,000 motor vehicles of high energy consumption. Second, the comparatively large technical transformation projects, including building or expanding thermopower stations of 2 million kilowatts,

complete and put into operation 1 million kilowatts; remodel medium pressure turbogenerators of 1.5 kilowatts, complete and put into operation 500,000 kilowatts; increase coal dressing and processing capacity by 10 million tons; increase the continuous casting and continuous rolling capacity by 2.5 million tons; and recover 690,000 tons of light hydrocarbon. Third, new technologies, new energy conservation techniques and new products including the production of more than 600 types of energy-saving equipment, improving the new technique of using rotary kilns with a precalcinator for cement production, and experiments with the dry method of putting out burning coke, power generation with pressure differential from the top of a blast furnace and so forth.

4. Readjust the structure of energy consumption and do a good job in replacing oil with coal for burning so as to improve the economic results of energy utilization. In 1985, oil used for fuel will be 10 million tons less than in 1980. In these 5 years, funds will be allocated to refit oil-burning power stations to burn coal and to increase coal supplies.

The major energy conservation measures among the urban population are:

1. To remold the stoves according to local conditions and popularize the use of formed coal.
2. To use the available gas sources and increase the gas supply in cities to approximately 3.5 million cubic meters daily.
3. To develop central heating for 30 million square meters in some cities in northeast and north China.

By 1985, these energy-saving measures will produce great economic benefits for society as follows: Energy consumption for per-unit industrial output value will drop at an average annual rate of 2.6-3.5 percent; and the per-unit energy consumption for steel, electricity and 17 other major industrial products will be reduced by 3-12 percent in 5 years, including a 9.8 percent reduction in comprehensive consumption for each ton of steel, 5.1 percent reduction in standard coal for the supply of electricity; 12.3 percent reduction in energy for producing each ton of ammonia by small fertilizer factories; 12.3 percent reduction of standard coal for each standard case of plateglass, and 11.5 percent reduction in standard coal for processing each ton of crude oil.

The proportion of formed coal being used in cities will be raised from 18 percent in 1980 to 46 percent, and the proportion of gas used by the city population will be raised from 17 percent in 1980 to 26 percent.

Section Two: Coal Industry

I. Coal Production

According to the plan, by 1985, the gross national coal output will reach 700 million tons, 80 million tons more than the 620 million tons in 1980, an average annual increase of 2.5 percent. Of this, the collieries under central planning will produce 385 million tons, 41 million tons more than the 344

million tons in 1980. The local collieries will produce 315 million tons, 39 million tons more than the 276 million tons in 1980. Coal output in Shanxi Province will hit 160 million tons, 40 million tons more than the 120 million tons in 1980, being half of the total national increase.

The major measures for expanding coal production are:

(1.) To speed up the technical transformation of existing mines and coal pits and fully tap their potential. Expansion or alterations will be carried out at those mines which are in good condition so that they can produce more than their designed capacity. As to those old mines with decreasing outputs, we will try to prolong their service life as much as possible and to maintain the steady yield. This is designed to achieve a net increase of 18 million tons from existing coal mines by 1985 after compensating for reduced production by the older mines. In dealing with the local collieries in these 5 years, we will proceed with the final projects on 150 pits which cannot produce up to their designed capacity, the reconstruction of 350 others, and the further improvement of another 1,000.

(2.) To put coal mines built in this period into production on schedule, so that by 1985, coal output will be up 23 million tons.

(3.) Step up the work of consolidating coal mining enterprises, raise the coal output per worker, improve the quality of commodity coal and reduce material consumption. The plan requires that the per-worker coal output be increased from 0.912 ton per day in 1980 to 0.965 ton in 1985. There should be marked increase in the technical and economic indices of the per-unit stope output, the footage of tunneling and the recovery of resources in the mines.

(4.) To actively develop mechanized mining, tunneling and transportation and replace wood with other materials for pit props. The centrally controlled collieries should give priority to the development of high-grade mechanization extensively, and develop comprehensive mechanization for coal mining actively and steadily. In 1985, mechanized coal mining of China's centrally controlled collieries will rise from 37 percent in 1980 to 44 percent. The local collieries should vigorously develop the use of metal pit props to reduce the use of timber, and should raise their level of mechanization in a planned and systematic way.

(5.) To improve the conditions for safe production, strengthen education on this subject, perfect and uphold various systems of scientific management and work regulations.

II. Construction for Coal Mining Industry

During the Sixth Five-Year Plan, the total national scale of construction for the coal mining industry will reach 220-million-ton capacity. Of this amount, 80 million tons will be produced by coal mines whose construction will be completed during the Sixth Five-Year Plan period and the remaining 140 million tons of capacity will be realized during the Seventh Five-Year Plan period.

Arrangements for coal mine construction in key areas are:

(1.) New coal mines built in Shanxi and Hebei of north China will have 93 million tons of productive capacity: 78 million tons in Shanxi Province and 15 million tons in Hebei Province. Among the large new construction projects are the large opencut coal mine in Pingshuo, Shanxi, with a designed capacity of 15 million tons, the Sitaigou coal mine of Datong, the Malan and Dongchu coal mines of Gujiao, Changcun coal mine of Luan, Chengzhuang coal mine of Jincheng, Guishigou coal mine of Yangquan--totaling six with a designed capacity of 4 million tons each--in Shanxi. In 5 years, 29 million tons will be produced by the coal mines already completed and put into operation in Shanxi and Hebei and the remaining 64 million tons of capacity will be realized during the Seventh Five-Year Plan period.

(2.) Construction of mines in northeast China and eastern Nei Menggol will result in 50.8 million tons capacity, including 25 million tons in eastern Nei Menggol and 11.4 million tons in Liaoning. The large new projects are the Yuanbaoshan opencut coal mine with a designed capacity of 8 million tons, the Luolinhe opencut coal mine with a designed capacity of 6 million tons, the Yiminhe opencut coal and the Daxing coal mine of Tiefert. The construction of mines with a capacity of 16.5 million tons will be completed and put into operation in these 5 years, and the remaining 34.3 million tons will be realized during the Seventh Five-Year Plan period.

(3.) The scale of coal mines in east China will reach 52 million tons, including 21.5 million tons in Shandong and 21.4 million tons in Anhui. The large new projects are the Xiqiao coal mine of Huainan with a designed capacity of 4 million tons, and the Jining No 2 mine of Yangzhou with a designed capacity of 2.4 million tons. In these 5 years, coal mines with capacities totaling 22 million tons will be completed and put into operation, and the remaining 30 million tons capacity will be realized during the Seventh Five-Year Plan period.

Suitable construction scales have been arranged for central south, northwest, and southwest China, including 13 million tons for the central south, 8.2 million tons for the northwest and 7.7 million tons for the southwest.

Completion of these construction tasks will play a certain role in improving the geographical distribution of the coal industry in our country, and making up the shortage of coal in the central south area. Coal output in our country will be further increased particularly when the continued construction of a large number of backbone projects has been completed in the Seventh Five-Year Plan period.

According to the plan, there should be marked progress on the basis of better investment results in coal industrial construction, and efforts should be made to increase the tunneling footage by each miner by at least 50 percent in 1985 over than in 1980. The large mines should adopt the method of one-time design but completed and put into operation in different periods so as to strive for early production. In the construction of mines, the system of economic responsibility in investment, the construction period and the fulfillment of the output quota should be gradually introduced.

While strengthening the building of large and medium-size coal mines, we should also develop some small mines in various regions according to their resources.

Section Three: Petroleum Industry

According to the plan, the annual crude oil output will be maintained through 1985 at 100 million tons, and the gross output of natural gas will reach 10,000 million cubic meters (half from the gas fields in Sichuan). In these 5 years, the drilling footage will be 35 million meters, including 12 million meters for exploration and 23 million meters for production. In the same period, the seismological observation line will reach 300,000 kilometers, the newly tapped oil capacity will be 35 million tons and the natural gas capacity will be 2,500 million cubic meters.

To complete these tasks, the major measures to be taken are as follows:

1. Efforts should be made to readjust and transform the oilfields, tap their resources, raise the extraction rate, improve the results of exploitation, lower the comprehensive progressive decrease of crude oil, reduce the loss and waste of oil and gas, actively exploit the deposits of thick oil and low-yield deposits, and increase the speed of oil extraction.
2. We should step up our geological prospecting for oil and natural gas on land. In oil prospecting, stress should be laid on the Songliao Basin in north-east China, the Bohai areas, Henan's Puyang and Nei Menggol's Erlian Basin. Furthermore, the survey of Xinjiang's Junggar Basin and Qinghai's Qaidam Basin will be appropriately strengthened in order to hasten the discovery of new oil fields. Continued efforts should be made in the seismological survey of Xinjiang's Tarim Basin and to prepare for a reserve prospecting base. As for natural gas, priority should be given to Sichuan. At the same time, we should actively study and prospect for coal gas, and treat the southern part of the north China plain, Nei Menggol's Oerduoshi, Shanxi's Qinshui, and other large coal basins as the key prospecting areas.
3. Prospecting work and tapping offshore oil resources in cooperation with foreign countries will be actively pursued. Detailed surveys should be carried out on the oil structures already discovered in Bohai and in Beibuwan of the South China Sea so that exploitation can begin as soon as possible. In the basin at the mouth of the Ju Jiang in the South China Sea and the Yingge Sea where geophysical prospecting has already been carried out, we should proceed with cooperative prospecting and exploitation with foreign businessmen by inviting bids. Efforts should be made to discover a number of new oilfields. At the same time, platforms should be built for offshore drilling and mining, harbors should be constructed, and other preparations for sea transportation should be carried out to meet the requirements of cooperation with foreigners in prospecting and exploiting offshore oilfields.
4. Scientific research and management should be strengthened in oil prospecting and exploitation. We should actively conduct a comprehensive study of the laws of formation and distribution of oil and natural gas deposits and resource appraisals, learn from foreign countries' advanced experiences in prospecting

and exploitation technology and in management methods, acquire the necessary advanced prospecting equipment, step up the technical training of workers and increase the technical efficiency of the seismological teams and drilling teams.

While increasing the output of petroleum and natural gas, we should also use such resources rationally so as to improve economic results. Technical transformation should be conducted in a planned way for the oil-refining enterprises, and efforts should be made to increase the intensity of processing and to produce more light oil, as well as to increase the variety and improve the quality of the products and lower consumption. Through enterprise readjustment, we will organize the combination of refining enterprises with petrochemical industrial enterprises so that oil can be used more advantageously.

Section Four: Power Industry

I. Electric power production

According to the plan, the national output of electricity in 1985 will reach 362,000 million kw, 61,400 million kw more than in 1980. This is equivalent to an annual increase of 3.8 percent, but actually, we should strive for an increase of more than 4 percent. Of this, hydropower will reach 70,000 million kw, 11,800 million kw more than in 1980, an average annual increase of 3.8 percent.

The major measures for increasing the output and reducing the consumption of electric power are as follows:

1. Carefully improve the equipment that has already been put into operation. Supplementary facilities should be carefully constructed for the main and auxiliary equipment as well as the public utility engineering projects, and for power generation, power transmission, power transformer facilities and system of compensation. The quality of inspection and repair should be further improved to raise the output of the power grids and the level of safe generation.
2. Accelerate the electric power industrial construction and increase the installed capacities.
3. Strengthen the control of power consumption, strictly enforce the plan for the consumption and conservation of power, and improve the results of energy utilization.
4. Make efforts to lower coal consumption in power generation, the loss in circuits and the consumption of oil. The operation of hydropower station reservoirs should be further improved and the water level should be strictly controlled so as to raise the water energy utilization rate.

II. Power Industry

During the Sixth Five-Year Plan period, the emphasis on hydropower construction will be on continuing the development of a number of large hydropower stations on the upper reaches of the Huang He, the trunk and the tributaries of the

middle and upper reaches of the Chang Jiang and the Hongshui River. Arrangements will be made for the construction of a number of large hydropower stations which are in the vicinity of power consumers and on floodless land and which involve simpler engineering, call for small investments and yield quick returns. In the light of local conditions, small hydropower stations should be built in energy-poor places in northeast China, east China and Guangdong Province. Regarding thermal power stations, they should be built in coal-rich areas such as Shanxi, the four leagues in eastern Nei Menggol, Huainan and Huaibei, West Henan, the area north of the Wei He and Guizhou. While mining coal in these areas, a number of power plants will be built near the mines forming a thermal power supply network. Thermal power plants will also be constructed where transportation facilities allow, in Liaoning, Shanghai, Jiangsu, Zhejiang, Guangdong and Sichuan--coal-poor areas with high electricity consumption.

According to the plan, in these 5 years, the total construction scale of power installations will reach 36.6 million kw of designed capacity, 15.6 million kw of which are hydropower stations. A total capacity of 12.9 million kw (3.2 million kw for hydropower stations) will be put into operation during the Sixth Five-Year Plan period, and the construction of 23.7 million kw of installed capacity will continue into the period of the Seventh Five-Year Plan (12.4 million kw of hydropower and 11.3 million kw of thermal power).

1. North China power grid. The total construction scale is 4.85 million kw, and a capacity of 2.32 kw will be put into operation. Some of the thermal power stations in Douhe of Tangshan, Hebei (400,000 kw), and in Datong (600,000 kw) and Shentou of Shanxi will be completed.
2. Northeast power grid. The total construction scale is 5.93 kw (1.33 kw of hydropower and 4.6 million kw of thermal power. A capacity of 2.7 million kw will be put into operation (900,000 kw) of hydropower and 1.8 million kw of thermal power). The main tasks are to complete the construction of the Baishan hydropower station (900,000 kw) in Huadian, Jilin; the Jinzhou thermal power station (600,000 kw) of Liaoning; and the Fulaerji No 2 thermal power plant (600,000 kw) of Heilongjiang; and to build the Tongliao (400,000 kw) and the Yuanbaoshan (600,000 kw) thermal power plants in Nei Menggol.
3. East China power grid. The total construction scale is 6.09 million kw (1.6 million kw of hydropower stations and 4.49 kw of thermal power stations). Thermal power stations with a capacity of 1.99 million kw will be put into operation. The main tasks are to build the Qingshuikou hydropower station (1.4 million kw) in Fujian; and the thermal power plants in Huainan, (600,000 kw each for Luohe and Pingyu), and Huaibei (400,000 kw) in Anhui; Feicheng (600,000 kw) and Zouxian (600,000 kw) in Shandong; Jianbi (600,000 kw) in Jiangsu; and in Zhenhai, Zhejiang.
4. South China power grid. The total construction scale is 3.93 million kw (2.81 kw of hydropower and 1.12 kw of thermal power). A capacity of 970,000 kw will be put into operation (550,000 kw of hydropower and 420,000 kw of thermal power). The main tasks are to build large hydropower stations in Basuo of the Hongshui He at Tianshengqiao (800,000 kw), in Bamayantan (1.1 million kw) and Duandahua, Guangxi; and to build thermal power plants in Shajiao of Dongguan (600,000 kw) in Guangdong and in Heshan in Guangxi.

5. Central China power grid. The total construction scale is 6.27 million kw (4.67 million kw of hydropower and 1.6 million kw of thermal power). A capacity of 1.94 kw will be put into operation (1.02 kw of hydropower and 920,000 kw of thermal power). The main tasks are to construct large hydropower stations at Gezhouba (2.71 million kw) at Yichang, Hebei, and at Dongjiang of Zixing, Hunan (500,000 kw); and to build thermal power plants at Yaomeng in Pingdingshan, Henen (600,000 kw) and at Guixi, Jangxi (500,000 kw).

6. Southwest China power grid. The total construction scale is 3.96 million kw (2.61 million kw of hydropower and 1.35 million kw of thermal power). A capacity of 880,000 kw will be put into operation (630,000 kw of hydropower and 250,000 kw of thermal power). The main tasks are to build large hydropower stations in Tongjiazi in Sichuan (600,000 kw), at Huangnihe of Luoping, Yunnan (660,000 kw), at Wujiangdu of Xifeng, Guizhou (630,000 kw); and to build thermal power plants in Chongqiang of Sichuan (400,000 kw), Pan Xian of Guizhou (600,000 kw) and Xiaolongtan of Yunnan.

7. Shaanxi-Gansu-Qinghai-Ningxia power grid. The total construction scale is 3.58 million kw (2.08 million kw of hydropower and 1.5 million kw of thermal power). A capacity of 1.12 million kw will be put into operation (800,000 kw of thermal power and 320,000 kw of hydropower). The main tasks are to build large hydropower stations at Ankang, Shaanxi (800,000 kw), at Longyangxia of Gonghe, Qinghai (1.28 million kw); and to build thermal power plants at Qinling, Shaanxi (800,000 kw) and at Dawukou, Ningxia (400,000 kw).

8. Xinjiang. We will build the Hongyanchi power plant at Urumqi with a total construction scale of 150,000 kw and a capacity of 50,000 kw.

9. Xizang. We will complete the geothermal power station at Yangbajing and carry out survey and design for the hydropower station at Yangzhuoyonghu.

A 300,000 kw nuclear power station will be constructed. At the same time, advanced survey and design will be carried out in areas of Liaoning, east China and Guangdong.

Construction of transmission and transformer projects will continue. In these 5 years, 2,700 kilometers of the 5,640 kilometers of the 500,000 volt ultrahigh voltage transmission project will be installed. In view of the uneven distribution of coal and water resources, we will study the plan for ultrahigh voltage and long-distance power transmission and expanded power grids.

Section Five: Rural Energy Development

It is necessary to rationally utilize and conserve energy resources in the rural areas in line with the principle of proceeding from local conditions to develop several mutually supplementary energy resources and to effect multi-purpose energy utilization with due consideration to results.

The major measures for solving the energy problem in the rural areas are:

1. To popularize the use of wood- and coal-saving stoves to 25 million families, one-seventh of China's peasant population.
2. To build 3.5 million new biogas digesters on the basis of maintaining the existing 6.5 million old ones.
3. To develop 50 million mu of firewood-supplying forests.
4. To build more small hydropower stations in rural areas with rich hydropower resources.
5. To actively develop solar, wind and geothermal energy.

The funds required for energy saving and exploitation will mainly come from local sources including the communes, production brigades or teams and the peasants, apart from small state subsidies.

Chapter 11: Metallurgical Industry

Section One: Iron and Steel Industry

According to the plan, steel output in 1985 will increase to 39 million tons, a 5 percent increase over 1980; pig iron output will drop 34.5-35.1 million tons by a range of 9.3-7.7 percent below 1980 in order to save on energy and reduce the ratio between iron and steel; and iron ore output will rise to 117 million tons, a 3.9 percent increase over 1980.

In 5 years, the output of fine-quality steel will increase by a wide margin. By 1985, alloy steel output will reach 3 million tons, up 63.3 percent from 1980, and ordinary low alloy steel output will be 3.5 million tons, up 15.2 percent from 1980. In gross steel output, the proportion of alloy steel will rise from 4.9 percent in 1980 to 7.7 percent, while the proportion of ordinary low alloy steel will rise from 8.2 percent in 1980 to 9 percent.

The output of rolled steel will be 29.3 million tons in 1985, up 7.9 percent from 1980; the rate of finished steel will reach 80 percent, a 3 percent increase from 1980. There will be a fairly large increase in rolled steel products to be used in developing and saving energy, in light and textile industries, in communications and transportation, agriculture and the building industry. The output of products in short supply such as steel plates, steel tubes, silicon steel sheets and strip steel will increase 37 percent from 1980 to 11.15 million tons, up 3 million tons from 1980.

The iron and steel industry must try to lower its consumption of materials. In particular, it must make notable progress in energy conservation. To realize the plan of lowering the comprehensive energy consumption to 1.84 tons of standard coal for each ton of steel, we must first reduce the iron-steel ratio from 1.024 in 1980 to approximately 0.9. Besides lowering the consumption of pig iron, we should also make great efforts to recover discarded iron and steel and strive to raise the amount of recovery to 20.5 million tons in 1985, an

increase of 12.8 percent over the 18.17 million tons in 1980. Second, the proportion of continuous casting will be raised from 6.5 percent in 1980 to 15 percent. Third, the energy consumption norm in various work sequences should be lowered through such measures as gradually reducing steel-smelting in cupola furnaces, reducing the dissipation of gas and recovery of residue heat. In 1985, the comprehensive coke ratio for each ton of pig iron will be reduced from 585 kilograms per ton in 1980 to 570, a 2.6 percent reduction. At the same time, we should further reduce the output by small iron alloy plants, small iron foundries, small refractory materials factories and small carbon factories which consume a great deal of energy. The production of iron alloy and other products which require high energy consumption must be strictly limited in energy deficient northeast and east China and such branches of industry should be gradually transferred to the northwestern and southwestern areas of China where hydropower is more plentiful.

To accomplish the tasks stipulated in the plan, the following arrangements have been made for the development of the iron and steel industry:

1. Technical transformation of iron and steel enterprises. In 5 years, technical transformation at the Anshan Iron and Steel Company, China's biggest iron and steel complex, will enable it to produce more varieties of rolled steel, improve the quality of its products, reduce its energy consumption and solve the problem of its low capability in breaking down steel billets. Other major tasks in technical transformation are related to the converter of the Shoudu Iron and Steel Company, the steel-plate roller of Shanghai No 3 Iron and Steel Plant, and the petroleum steel pipe rollers for the Baotou Iron and Steel Company and the Chengdu Seamless Steel Pipe Plant (one set each). Completion of these technical transformation tasks will increase the productive capacity for such products in short supply as steel plates for shipbuilding and fine-quality petroleum steel pipes.
2. Construction of iron and steel plants. The scale of construction for the 5 years is set at 3.33 million tons of steel, 3.37 million tons of iron and 1.72 million tons of rolled steel. The major capital construction projects are: the basic completion of the first stage construction of the Shanghai Baoshan Iron and Steel Company which will have an annual productive capacity of 3 million tons of steel and 3 million tons of iron; completion of the final supplementary engineering projects for the 1,700-millimeter steel plate roller of the Wuhan Iron and Steel Company and its productive capacities for steel and iron of 4 million tons each; completion of the auxiliary projects for the 1,700 millimeter steel plate hot roller of Benxi Iron and Steel Company; the final auxiliary projects for the 1,700 millimeter steel plate cold roller of Taiyuan Iron and Steel Company; and the first stage construction of the Wuyang Iron and Steel Company for steel smelting and the final supplementary projects for the extra thick 4,200 millimeter steel plate roller.
3. Mine construction. Particular attention should be paid to mine construction and the final supplementary projects, and to the arrangement for some construction projects to be carried on into the Seventh Five-Year Plan period. Mines built during the 5 years are expected to produce 33.55 million tons of iron ore.

The key projects are the Qianan mining areas of the Shoudu Iron and Steel Company; the Anshan-Benzi mining areas in Liaoning; the Panzhihua mining areas in Sichuan; the Xishimen iron mine of Handan, Hebei; the Zhangjiawa iron mine in Laowu, Shandong; the Hainan iron mine in Guangdong; and the Jianshan Iron Mine in Lanxian, Shanxi.

Section Two: Nonferrous Metals Industry

During the Sixth Five-Year Plan period, based on the characteristics of our national resources, the nonferrous metals industry will rely on its existing base, give priority to the development of aluminum production, vigorously increase the production of lead and zinc, develop copper production where conditions are favorable and actively make arrangements for producing other products in short supply so as to provide more and better raw and semifinished materials and new types of materials needed in industry, agriculture, national defense and the most advanced branches of science and technology. By 1985, the output of copper, aluminum, lead, zinc, nickel, tin, antimony, mercury, magnesium and titanium will increase 12.7 percent over 1980.

1. Aluminum industry. The main task is to transform and expand the existing enterprises. In combination with the exploitation of water resources in the upper reaches of the Huang He, we should also develop the aluminum industry in the northwestern regions. For aluminum oxide and electrolytic aluminum, we should complete the second-stage construction of the Guizhou Aluminum Plant and the third-stage construction of the Zhengzhou Aluminum Plant; basically complete the first-stage construction of the main project for aluminum oxide in the Shanxi Aluminum Plant; expand the Baotou Aluminum Plant, and build the Qinghai and other aluminum plants. In processing aluminum, we should transform and expand the Northeast Light Alloy Processing Plant in Harbin and the Southwest Aluminum Processing Plant in Chongqing; complete the aluminum foil workshop of the Zhuoxian Aluminum Experimental Processing Plant in Hebei. The AC power consumption for each ton of electrolytic aluminum of all large aluminum plants throughout the country should be lowered from 17,150 kwh in 1980 to 16,090 kwh, or by 6 percent.

2. Lead and zinc industry. In mine building, we should transform the lead and zinc mines in Fankou of Renhua, Guangdong, and in Huangshaping of Guiyang, Hunan. Technical guidance and some financial assistance should be given to those small local lead and zinc mines that have fairly good conditions. We should also build the lead and zinc mines in Xitieshan of Qinghai and in Changba of Gansu. In smelting, we will complete the lead and zinc smelting plant of the Baiyin Nonferrous Metal Company in Gansu.

3. Copper industry. In mine building, the main task is to improve the production of the mines in Daye of Hubei and Dayao of Yunnan so that their output will be up to the designed capacity as soon as possible; transform and expand the Dexing copper mine of Jiangxi and some other fairly good mines; and complete the building of the copper mines in Yongping of Jiangxi, the Zheyaoshan copper mine of the Baiyin Nonferrous Metal Company in Gansu, and the Shankou copper mine in Daye, Hubei. In smelting, we will complete the imported project for the Guixi Smelting Plant in Jiangxi. The recovery rate in ore dressing among the large copper mines will be raised by 2 percent over 1980, and the grade of concentrates will be raised by 1.4 percent.

4. Nickel industry. The main task is to improve the production and construction of the Jinzhuan Nonferrous Metal Company in Gansu.

5. Tin industry. The main tasks are to transform and expand the Yunnan Tin Industry Company and to basically complete the Dachang tin mine in Nandan, Guangxi.

Molybdenum and Tungsten are our national traditional export products. During the Sixth Five-Year Period, we should pay great attention to the technical transformation of the existing plants and mines, increase the export of tungsten and molybdenum concentrates and improve the quality of their products.

While actively increasing the output of nonferrous metals for daily use, we should also strive to increase the output of gold, silver and rare-earth metals and their products.

Most of the nonferrous metal resources in our country are associated and progenetic mines, and it is our important technical and economic policy to conduct comprehensive exploitation and utilization. We should also carefully carry out comprehensive surveys of the mines and comprehensive appraisals of the different resources with regard to their value and reserves. The comprehensive utilization of resources will be treated as an important technical and economic index for evaluating the performance of the metallurgical departments and the mine-selection and smelting enterprises. We must break down the trade barriers and attach equal importance to the recovery of both sulphur and non-ferrous metals. In 5 years, our increased capacity for comprehensive recovery will be 2 million tons of sulphur concentrates, 500,000 tons of tail-gas acid and 900,000 tons of cement.

In mine production, we must uphold the principle of equal importance mining and tunneling (or stripping) with the latter ahead of the former and achieving sustained steady output. The level of mechanization in production should be raised, and the labor conditions in the mines should be improved in order to achieve safety in production.

Chapter 12: Chemical Industry

Section One: Chemical Fertilizer Industry

During the Sixth Five-Year Plan period, production of phosphate and potash fertilizers will be stepped up and the proportion of these fertilizers in the total output of chemical fertilizers will be increased gradually. In 1985, we shall produce 14.3 million tons of fertilizer, 8.8 percent over 1980. Of this, phosphate fertilizer will amount to 2.8 million tons, an increase of 21.2 percent; potash fertilizer, 50,000 tons, an increase of 150 percent; and nitrogenous fertilizer, 10.55 million tons, up 5.6 percent. The ratios between nitrogenous, phosphate and potash fertilizer outputs will be changed from 1:0.23:0.002 in 1980 to 1:0.27:0.005.

The plans for chemical fertilizer industrial construction during the Sixth Five-Year Plan period are as follows:

1. Phosphate fertilizer. In mine building, the main projects are the construction of four troilites in Guangdong, Hunan, Anhui and Nei Menggol; the construction of six phosphorus mines in Yunnan, Guizhou and Hubei; and recovery of the byproducts of metallurgical mines and coal mines, such as sulphur concentrate and phosphate concentrate. In the 5 years, mines with a total designed productive capacity of 8.33 million tons of standard phosphate will be under construction, and a capacity of 2.43 million tons will be commissioned. Mines with a total designed production capacity of 3.69 million tons of sulphurous iron ore will be also under construction and some of them with a production capacity of 2.9 million tons will be completed and put into production.

In the phosphate fertilizer industry, during the Sixth Five-Year Plan period, we shall build chemical fertilizer plants with a designed productive capacity of 500,000 tons of effective phosphate fertilizer and compound fertilizer; the newly increased production capacity will be 46,000 tons. The key projects are: the calcium phosphate equipment for Zhanjiang, Guangdong and Kunming, Yunnan; the ammonia phosphate equipment in Guixi, Jiangxi and Tongling, Anhui; and the potassium-phosphate fertilizer equipment in Kaifeng of Henan, Jinan of Shandong and Chengdu of Sichuan. We will also start building a large coal chemical plant--the Lucheng Chemical Fertilizer Plant of Shanxi--for producing phosphorus nitride compound fertilizer with coal as raw material. Completion of these projects will result in a productive capacity of 900,000 tons of nitrate and phosphate fertilizers annually. Furthermore, we plan to begin construction of a set of equipment to produce 30,000 tons of yellow phosphorus.

2. Potash fertilizer. We will begin the first-stage construction of the Chaerhan Potash Fertilizer Plant in Qinghai. The construction scale is 200,000 tons of potassium chloride, which is equivalent to 120,000 tons of potash fertilizer.

3. Nitrogenous fertilizer. The scale of construction in the 5 years are: synthetic ammonia, 2.12 million tons, the newly increased productive capacity being 1.52 million tons; and urea, 2.87 million tons, the newly increased productive capacity being 2.24 million tons. The key construction projects are the three large nitrogenous fertilizer plants in Zhenhai, Zhejiang; Wulumuqi, Xinjiang; and Yinchuan, Ningxia. The two plants in Zhenhai and Wulumuqi will basically be completed by the latter part of the Sixth Five-Year Plan period, and have a yearly production capacity of .52 million tons of urea.

Active technical transformation will be carried out on those fairly good small fertilizer plants. If they cannot be transformed, they will have to be closed or suspended.

Section Two: Pesticide Industry

During the Sixth Five-Year Plan period, efforts will be made to increase the output of highly efficient farm chemicals with low poisonous residue to replace pesticides with high poisonous residue. In 1985, the gross pesticide output will be 360,000 tons, a decrease of 177,000 tons below the 537,000 tons of 1980. The major measures are as follows:

1. Through the technical transformation of the pesticide producing enterprises and tapping their resources, we will increase the output of Diptenex, Omethoate, Phoxim, Shachongshuang (?Tetrachlorvinphos) and other pesticides of high efficiency and low poisonous residue, which are now available, change their forms, and improve their quality.

2. We will expand the pesticide plants in Tianjin, Zhejiang, Jiangsu and Hunan, and increase the output of Fenitrothion and other pesticides of high efficiency and low poisonous residue. The scale of production is 25,000 tons.

3. We will develop the production of herbicides with high efficiency and low poisonous residue. During the Sixth Five-Year Plan period, we will set up in Hunan facilities to produce 2,500 tons of herbicide for the paddy fields; and in Heilongjiang, facilities to produce 3,000 tons of herbicide for dry fields will be installed.

Section Three: Basic Chemical Industry

In 1985, we will produce 8.1 million tons of sulphuric acid, an increase of 6 percent over 1980; soda ash, 1.9 million tons, up 18 percent over 1980; and caustic soda, 2.1 million tons, up 9 percent over 1980.

During the Sixth Five-Year Plan period, we will carry out equipment renovation and fill the gaps among the backbone soda ash enterprises and the promising small and medium-size factories in Tianjin, Hubei, Liaoning, Sichuan and Shandong; in the coastal salt producing areas of Shandong, Jiangsu and Hebei, at selected sites, we will construct three large soda-making facilities using the sodium-ammonium method. Construction of plants with a designed production capacity of 1.39 million tons of soda ash will be undertaken in the 5 years, the newly increased production capacity being 260,000 tons.

Section Four: Petrochemical Industry

We will produce 700,000 tons of ethylene in 1985, 43 percent over 1980; plastics, 1.05 million tons, 17 percent over 1980; and synthetic rubber, 170,000 tons, 38 percent over 1980.

During the Sixth Five-Year Plan period, the scale of construction in the petrochemical industry in terms of designed production capacity will be: ethylene, 1.01 million tons; plastics, 660,000 tons; synthetic rubber, 95,000 tons; and chemical fibers and chemical fiber raw materials, 780,000 tons. The main projects are: one 300,000-ton ethylene facility each for Daqing (Heilongjiang), Nanjing (Jiangsu), Qilu (Shandong), and one 115,000-ton ethylene facility for the Jilin Chemical Industrial Company. Newly added production capacity in the 5 years will be: ethylene, 115,000 tons; plastics, 33,000 tons; and synthetic rubber, 95,000 tons.

During the Sixth Five-Year Plan period, we will build some supplementary production facilities for the existing petrochemical industrial bases. The main projects are: an 80,000-ton phenoacetone output facility and a 12,000-ton meta-cresol output facility for the Yanshan Petrochemical Company in Beijing; an

acrylic ester facility for the Dongfang Chemical Industrial Plant in Beijing; a facility for dehydrogenation with oxidized butene for the Jilin Chemical Industrial Company; and an aryne extraction facility for the Lanzhou Chemical Industrial Company.

Section Five: Precision and Chemical Industry

Precision and chemical products, including dyestuff, paint, light-sensitive materials, magnetic tape and various kinds of chemical reagents, solvents and catalytic agents, are chemical products. The quality of these products will be improved, new varieties added and new techniques developed to prepare for further development during the Seventh Five-Year Plan period.

1. Dyestuff. The output in 1985 will be 65,000 tons. The major measures to be taken are: to organize and improve 12 key enterprises in Shanghai, Tianjin and other provinces and municipalities for specialized production and potential tapping. At the same time, the dyestuff plants in Tianjin and Sichuan will be expanded.

2. Paint. Great efforts will be made to expand the lacquer plants in Beijing, Shanghai and Tianjin. The 1985 output will be 550,000 tons, a 14 percent increase over 1980.

3. Film and magnetic tape. In 1985, film output will be 330 million meters, a 22 percent increase over 1980. This will include 180 million meters of color film, a 20 percent increase. The output of magnetic tape will be 1.95 billion meters, a 3.1-fold increase over 1980.

Chapter 13: Building Material Industry

During the Sixth Five-Year Plan period, emphasis will be put on developing the production of cement, plate glass and ceramic bathroom fixtures and attention will also be paid to developing new-type building materials and nonmetallic minerals.

1. Cement. We will produce 98 million tons of cement in 1985, an increase of 23 percent over 1980. This includes 32 million tons, 25 percent more than in 1980, produced by large and medium-size cement plants. During the 5 years, 25 large and medium-size cement plants will be completed in east Hebei, Huaihai (Jiangsu), Ninguo (Anhui) and elsewhere. A number of large and medium-size cement plants will be transformed and expanded according to where the priorities are. Technical transformation also will be carried out in a number of local small cement plants which have favorable conditions. The ordinary vertical kilns will gradually be converted into mechanized vertical kilns, and some will be expanded and upgraded as medium-size cement plants. In Wannian, Jiangxi, a cement plant with an annual output of 600,000 tons, using a rotary kiln with a precalcinator, will be built. This will provide useful experience in replacing the energy-consuming wet method with the modern dry method to be used in newly built plants.

2. Plate glass. China will produce 42 million standard crates of glass in 1985, an increase of 52 percent over 1980. Concentrated efforts will be made to build 15 large glass plants in Luoyang (Henan), Qinhuangdao (Hebei), Lanzhou (Gansu) and other places. At the same time, a number of medium-size glass plants will be built. Some of the small glass plants producing goods of poor quality at high energy consumption and high production cost will be selected for technical transformation. Hereafter, generally, no new small glass plants will be built. Great efforts will be made to raise the technical level with new production techniques. Scientific research will also be conducted to produce insulation glass, colored glass and heat absorbing glass.

3. Ceramic bathroom fixtures. China will produce 4.5 million units in 1985, an increase of 54 percent over 1980.

4. New types of building materials. Efforts will be made to develop new products which are light, sturdy, take less energy to produce and have multiple uses. Gangue, coal dust and other discarded industrial materials should be liberally used to produce building materials, and more hollow bricks should be used. During the Sixth Five-Year Plan, priority will be given to the building of the Beijing New Building Materials Plant, capable of producing enough auxiliary building materials for 1 million square meters of floorspace.

5. Nonmetallic minerals. Prospecting should be stepped up for nonmetallic minerals, such as asbestos, graphite, talc and porcelain clay. Efforts should also be made to improve mining techniques and to increase production and exports.

Chapter 14: Geological Prospecting

During the Sixth Five-Year Plan period, geological prospecting will be strengthened both actively and systematically. Mineral survey and verification of reserves will be stepped up. Comprehensive prospecting of mineral deposits should be properly carried out and the service area will be expanded--all for the purpose of providing data on mineral resources and geological data which is indispensable to production and construction in the present decade and the vigorous economic growth in the next.

1. Step up the general geological survey and prospecting of energy resources, particularly oil and natural gas, and increase the exploitable reserves.

Regarding oil and natural gas, continued efforts should be made in geological prospecting in oil and gas producing areas in the east so as to replenish or expand these reserves. At the same time, in the sea areas near the coast with good prospects for oil and natural gas reserves, cooperation with foreign countries and other measures should be taken to speed up the progress of geological prospecting. In areas of Xinjiang, Qinghai, Shaanxi, Gansu, Ningxia and Nei Menggol, general surveys should be carried out for long-lasting oil and gas

reserves. While prospecting for the natural gas already formed, we should also study the law of such formation as preparation for discovering new energy resource areas.

For coal, priority should be given to general survey and prospecting in Shanxi, northeast China, the four leagues in Nei Menggol, Shandong, Anhui and Henan. At the same time, investigation should also be conducted for long-lasting coal reserves so as to provide geological data for study of the national geographical distribution of the coal industry. In these 5 years, it is planned to find 48 billion tons of newly proved reserves.

To meet the needs of the development of hydroelectricity, good work must be done in geological surveys prior to the construction of hydropower stations. A general survey on uranium mines should be conducted. With measures suitable for local conditions, we should also undertake terrestrial heat prospecting work in order to provide data for its utilization.

2. Arrange geological prospecting for metallic and nonmetallic minerals in a unified way and expand the sources of staple minerals and some specially needed minerals.

For metallic minerals, we should actively look for rich mineral belts of iron, copper and manganese as well as the poor mines whose ores can be easily extracted and selected, and many new auxiliary raw materials needed in the iron and steel industry. Continued efforts should be made to strengthen the general surveys and prospecting for copper and iron mines in the middle and lower reaches of the Chang Jiang, iron mines in Anshan, Benxi and eastern Hebei; and manganese mines in Guangxi, Hunan and Yunnan, so as to increase the areas of exploitable reserves. Geological work should also be stepped up in the copper, lead and zinc mines in the central-south and northeastern areas and their outer rings as preparation for replenishing the reserves from existing mines. General surveys and prospecting should be speeded up for the tin mines of Guangxi and Yunnan; the lead and zinc mines of Hunan, Guangdong, Sichuan and Gansu; and the gold mines of Heilongjiang, Shandong, Henan and Shaanxi. Resource assessments should be made as soon as possible so that a number of new bases will be available for selection. At the same time, study should be conducted on the long-lasting minerogenetic regions of chromium, molybdenum and other important minerals. In 5 years, it is expected that the newly proved iron ore reserves will amount to 2.4 billion tons.

For nonmetallic mines, we should accelerate the general survey and prospecting of phosphorus, sulphur, potassium and other minerals for the chemical industry urgently needed by the state. Continued efforts should be made on assessing the prospective minerogenetic regions in the southwestern region and on looking for mines which can be exploited and utilized in the near future in central south and north China where transportation is more convenient. As to sulphurous iron ores, priority should be given to the general survey and prospecting of areas which have plentiful and easily exploitable reserves. For potassium, the main job is to study various aspects of the prospective minerogenetic regions and the salt lake in Qinghai. Attention should also be paid to sylvite during the general surveys and prospecting for oil and natural gas. In 5 years,

the newly proved phosphorus reserves will amount to 0.6 billion tons and those of sulphurous iron will amount to 0.18 billion tons.

3. Actively develop hydrological geology, engineering geology and environmental geology.

We should continue to give priority to the plains near the Huang He, Huai He and Hai He; to Shanxi and the areas east of Taihang Shan, such as Jinan, Xuzhou and Huaibei; and the Chang Jiang delta, the loess plateaus in the northwest, in Shaanxi, Gansu, Ningxia and the artesian flow basin in Nei Menggol. Comprehensive assessments should be made on hydrological geology and engineering geology. We should also supply geological data and offer proposals in dealing with such problems as transferring water from south to north, water and soil erosion in the loess plateaus, the subsidence of delta cities, and the pollution of underground water.

We should carefully attend to the work of hydrological geological prospecting in the key areas. In the north, the main task is to solve the problem of water supply; in the south, to solve the problem of drainage; in Nei Menggol and the northwest, to solve the problems of building pastures and fodder bases, and of the water sources.

In the work of hydrological geology for water sources for the water-deficient cities, priority should be given to the verification of underground water resources in Beijing, Tianjin, Taiyuan, Shenyang, Qingdao, Xian, Dalian and a number of small and medium-size cities, and to offer rational programs for its exploitation and utilization. Prolonged observation of underground water should be carried out, and observatory networks should be set up and improved for underground water movement in the key areas. A nationwide system for predicting the location of underground water should also be established.

Zone engineering geological investigation should be conducted in some key cities to provide basic geological data for urban development. Environmental geological investigations should be undertaken in those areas, particularly on both sides of railway trunk lines and the large rivers where water and soil erosion or serious geological disasters may occur.

4. Strengthen basic geology and develop geological science.

The work of zone geological surveys including zone geological and geochemical surveys, should be accelerated; geological surveys on mineral resources in nearby sea areas and the open seas should be continued.

We should organize forces to tackle the key problems of science and technology concerning zone surveys, mineral production forecasts, general surveys and prospecting, and comprehensive utilization. We should also develop the basic geological theories to build scientific and technological reserves for the creation and development of new scientific theories for geology.

To complete these tasks, the following measures should be taken during the Sixth Five-Year Plan period.

(1) We must strengthen unified planning, unified control and cooperative division of work. After compiling the plan for a national zoning of prospective minerogenetic regions, a long-range national plan for geological work and annual plans for implementation should be drawn up. All professional geological plans should have fixed projects, fixed tasks, fixed personnel and equipment, fixed expenditures and fixed rates of progress. The geological departments should work out unified work procedures and technical rules and regulations, and set quality standards. There should be a unified national control system, and, on this basis, a practical cooperative division of work and multi-level management. The comprehensive geological departments and the geological departments of different trades must closely cooperate in their work and planning, and exchange information with one another so as to form an organic whole for geological work throughout the country.

(2) The practice of disregarding associated mines while looking for principal mines in geological prospecting must be changed, and there should be comprehensive prospecting and comprehensive assessments. The geological and mineral products departments should work out suitable systems and methods to be gradually implemented in a planned way during the Sixth Five-Year Plan period.

(3) Reports on newly built or expanded key mines should be examined by the national mineral reserves commission. The report should also set forth tentative assessment of the resources.

(4) In accordance with relevant state regulations, the geological and mineral products departments should inspect and supervise the utilization and protection of mineral resources.

(5) The geological contingent should be streamlined or reorganized. We should break down the barriers of the administrative framework and form geological teams in accordance with the units in the geological structure and the minerogenetic regions having long-range prospects. The transfer of geological teams across provincial barriers should be permitted.

(6) Geological prospecting equipment and instruments should be systematically updated so as to raise the level of technical equipment for the geological ranks.

Chapter 15: Engineering and Electronics Industries

The engineering and electronics industries in our country have reached a certain stage of development, and their main problems are the standard of products and technology, backwardness in management, and the irrational product mix and enterprise organization. During the Sixth Five-Year Plan period, our main task is to improve the quality of products, develop new varieties and raise technological levels. We must also strengthen scientific and technical research and develop new products, import advanced technologies which are suitable to our

national conditions and step by step transform the backward technology. We should continue readjusting the orientation of and expanding the range of services offered by these industries. We must actively make plans to reorganize the engineering and electronics enterprises in the main industries, cities and industrial bases so as to promote specialization in production technology and in basic products. Work in these aspects will help raise the technical and management levels in the engineering and electronics industries.

By 1985, the gross output value of our engineering and electronics industries will increase 25.6 percent from 1980, an average annual increase of 4.7 percent, of which machinery and electronic products for use in production will rise 7.2 percent, an average annual increase of 1.4 percent, while electronic products for consumers will increase 84 percent, an average annual increase of 13 percent.

Section One: Development Plan for the Main Branches of the Engineering Industry

1. Electrical machinery industry.

We must improve the fossil fuel generators--with more than 100,000 kw capacity each--which we are producing and try to build even bigger high-efficiency fossil fuel generators. We should produce some giant hydropower generating facilities, develop generators with large storage capacities and high waterhead generators and design and build equipment for nuclear power stations with a capacity of 300,000 kw. By 1985, we will build facilities to generate 3.5 million kw of power. To fulfill these tasks, we should carry out technical transformation among the power generating plants in Harbin and Shanghai, the Dongfang Electrical Machinery Plant of Sichuan, the Electrical Power Equipment Manufacturing Company of Xian, the Shenyang Transformer Plant, the Shenyang High-Voltage Switch Plant, the Pingdingshan High-Voltage Switch Plant and other key enterprises in order to raise their technical level. At the same time, we must replace those industrial boilers, medium-size and small electric motors, medium-size and small transformers, industrial resistance furnaces and small electric welding machines which consume enormous amounts of energy but are in great demand and are widely used. To do this, we intend to turn out 171 new varieties of these products in 22 lines within 5 years.

2. Automobile industry.

Our main task in the automobile industry is to improve the quality of the "Jiefang" and "Yuejin" trucks, the Beijing light cross-country vehicles and Shanghai sedans, so that they will need a major overhaul once every 150,000 to 200,000 kilometers instead of 100,000 kilometers at present and reduce their gasoline consumption by 20 percent. At the same time, we should develop new varieties of heavy-duty trucks and particularly the extra-large heavy-duty mining trucks, cross-country vehicles and light vehicles. Technical transformation will be carried out in some key enterprises including the Changchun No 1 Motor Vehicle Plant, the affiliated plants of the Heavy-Duty Truck Company, the Beijing Motor Vehicle Plant, the Shanghai Motor Vehicle Plant and a number of key accessory plants. Improvement of facilities for the production of

"Dongfeng" 5-ton trucks by the Hubei No 2 Motor Vehicle Plant and increase in the varieties of cross-country vehicles should be continued. In 1985, we will be able to produce 200,000 automobiles, most of which will be improved or new models.

3. Machine tool industry.

Our main efforts will be devoted to raising the precision, efficiency and reliability of products, and turn out better complete sets of machine tools. In 1985, we will produce 100,000 machine tools. Our main tasks are to develop 20 types of high precision machine tools and 11 types of high precision measuring instruments, to update 29 types of old machine tools and forging equipment that are being used in fairly large numbers, and to develop 20 types of digital control machine tools and processing centers so as to provide specialized machine tools and production-line equipment for the light industry and the motor vehicle, ball-bearing and gear trades to mass produce accessories and spareparts.

4. Heavy-duty, mining and general purpose machinery industry.

Our main task is to turn out mining, scrubbing and safety equipment for coal mines; produce small billet casters, large aluminum rolling mills; and supply gas fittings and equipment for the cities. We must also actively develop and manufacture offshore oil exploration equipment, large steel rolling mills, complete sets of equipment for large opencut mines and dressing equipment, and replace such general purpose energy-inefficient equipment as industrial pumps, air blowers, compressors and oxygen equipment. By the end of the Sixth Five-Year Plan period, we will be making 281 new kinds of general purpose equipment in 43 categories.

5. Instrument and meter industry.

The main task in this field is to provide energy measuring, inspection and control instruments for the technological reform of those 700 enterprises consuming 50,000 tons or more of standard coal, and for industrial boilers, kilns and furnaces, as well as to produce complete sets of instruments and meters for modernizing large equipment systems, projects and key enterprises, and for scientific research.

6. Farm machinery industry.

In view of our national conditions and the system of responsibility for production in the countryside, it is necessary to produce machines needed for developing farming, forestry, livestock production, sideline occupations and fisheries, and mechanized or semimechanized farm tools which are light and handy, small and simple, sturdy and inexpensive. China expects to turn out 60,000 tractors and 280,000 hand held tractors in 1985.

7. Building machinery industry.

Priority should be given to the development of equipment for hoisting, loading-unloading and transportation at worksites, earth- and stonework, concrete

structures, indoor fixtures, and other small and medium-size equipment in complete sets. In 5 years, 46 types of new products will be added and 48 types of old products will be replaced in the building machinery industry.

8. Locomotive and rolling stock industry.

We will reform the diesel locomotive manufacturing plants, strengthen departmental cooperation, and increase the productive capacity for large locomotives. We will also trial produce large 70-ton freight cars and increase the number of special cars. In 1985, 615 locomotives, a 20 percent increase over 1980, will be produced.

9. Merchant shipbuilding industry.

Our main task is to develop passenger ships, coastal and oceangoing bulk cargo ships of more than 10,000 tons, container and all-purpose cargo ships, tug boats and barges on the Chang Jiang, and platforms for offshore drilling and oil drilling as well as auxiliary ships in Shanghai. At the same time, we will actively undertake the tasks of exporting ships and yachts. In 1985, we plan to build 1.89 million-ton steel ships for civilian use, a 1.5-fold increase over 1980.

10. Light and textile machinery industry.

For light industrial machinery, our main tasks are to manufacture sugarcane presses, beetroot soaking containers, and equipment for producing concentrated fruit juice; to increase the output of paperboard machines, coating machines, wastepaper deinking machinery, equipment for acid and soda recovery; and to trial produce equipment for plastic floor sheets and plastic wrapping sheets for rural construction and packaging, precision slicers, and equipment for leather softening and dyeing and finishing.

Regarding textile machinery, our main task is to tackle the technical problems in producing complete sets of equipment for an annual output of 15,000 tons of short polyester fibers, the trial production of high-speed looms for long polyester fibers and elastic silk, to raise the production level for making special parts for textile machines and to develop new types of looms; to improve the auxiliary equipment for cotton textiles, fibers of medium length and long polyester fiber knit, and for dyeing and finishing bedsheets; and to develop the equipment for extra-close stitches and long stitches.

11. Medical instruments industry.

We should update the frequently used varieties first, develop electronic medical instruments and biochemical analysis equipment, increase the variety of endoscopes, trial produce X-ray fracture-detection equipment through the use of computers, and improve the accessories for large X-ray machines. At the same time, we should arrange for the production of special surgical instruments, and the facilities for planned parenthood and other special needs of women and children.

Section Two: Development Plan for Main Branches of Electronics Industry

1. Electronic components.

We must do our best to improve our technology for producing electronic components, turn out more varieties, raise quality and reduce costs. Our main tasks are to make a success of the mass production of circuits and memory devices for microcomputers; to trail produce high-grade microcomputers and sound device circuits; to develop microwave components, laser, ultrared and various sensitive devices; pay special attention to the study and production of microwave electronic tubes, kinescopes and pick-up cameras; and to study updating micro-components, instruments and special equipment.

2. Computers.

In this field, we shall devote great efforts to developing micro- and mini-computers, single board microcomputers, special function microcomputers and industrial control computers, to improving functions, speeding up the replacement of old products and bringing the products into mass production. We shall also develop large and medium-size computers, software systems and systems for the information processing of Chinese characters. For the various types of high-capacity magnetic recording equipment (especially the magnetic disc drives), terminal equipment, Chinese character processing equipment, input-output equipment and other external equipment, joint efforts must be made to tackle the key problems, to improve the quality of products, and to increase the capacity to produce complete sets.

3. Broadcasting and television.

Attention should be paid to the research and production of equipment for reception from satellites, for decimetric wave TV projection, differential relay, and for microwave transmission and so forth. Efforts should also be made to improve the performance of the projection equipment in broadcasting so that it will develop in the direction of pulse-code modulation, stereophony, dubbing, automation, integration and other new technologies. We will mass produce color and black-and-white TV sets, develop and popularize special-purpose television for use by different economic sectors, produce high-grade and medium-grade multifunctional radios, tape recorders as well as color cassette video recorders. At the same time, the production of complete sets of equipment must be well organized.

4. Other civilian electronics fields.

We will give full attention to developing electronic equipment for communication and navigation systems needed in offshore oil drilling, and for air traffic control systems, digital microwave communication systems, optical fiber communication systems, rediffusion systems and radio communication systems, as well as to produce new-type electronic instruments and equipment to serve agriculture, industry, science and technology, culture, education and public health.

Section Three: Scientific and Technological Research in Engineering and Electronics Industries

The following tasks must be carried out well during the Sixth Five-Year Plan:

1. We will improve production techniques for electronic components and basic parts and to strengthen research and development in basic technology. The machinery and instrument and meter trades must carefully tackle the key problems in mass producing the seven types of important basic parts including ball-bearings, hydraulic and pneumatic parts, seals and oil-pump spouts; and in developing more than 1,000 new products in some 100 lines. The electronics enterprises should pay special attention to the key problems of electronic components, integrated circuits and electronic vacuum components, so as to solve the technical problem of large integrated circuits and to lay a foundation for the production of micro-electronic products.
2. We will develop new products and systems so as to provide technologically advanced equipment for all departments. In 5 years, the machinery and electronics enterprises will trial produce 28 large complete sets of equipment and nearly 200 important new products; and strive to reach the advanced international level of the 1970's, and, in some cases, the present advanced international level.
3. We will raise the technological standards of products. For machinery and electronic products and their basic components, we should gradually adopt international standards or the regional standards which are universally recognized. By 1985, part of the important basic accessories and spareparts and those mechanical and electrical products that are used extensively and in large quantities should be mainly based on universal international standards.
4. We will raise the design levels of products and enhance our capability to develop new products. A number of research units and key enterprises should be selectively equipped in undertaking research and design, so that some of our research academies will be internationally recognized. Imported technologies should be well digested and assimilated. We should also study and establish the necessary theories, methods and numerical data for our own designs; develop the study and application of computers as an aid to design, and popularize various advanced design methods.
5. We will strengthen organizational work in scientific and technological research and development of new products. For every important project, we must ensure the close coordination of these seven links: scientific research, experiment, design, manufacture, inspection, installation and application. The overall design must be strengthened so that the main and supplementary machines, the control system, the hardware and applied software, materials, technology, the electronics and optical techniques and other links will be well coordinated.

Section Four: Structural Reorganization and Technical Transformation in the Engineering and Electronics Industries

The following tasks should be carried out well during the Sixth Five-Year Plan:

1. Actively and systematically reorganize the enterprises. We will set up elaborate regulations for the reorganization of enterprises and gradually form transregional and transdepartmental companies with key enterprises as the cores for producing important products. According to rational economic principles, we should organize specialized cooperation for spareparts and technology. The specialized cooperation ties already established among industries and localities, such as in the automobile, shipbuilding and electronics industries as well as those among different enterprises, such as forging, founding, heat treatment and electroplating technologies must be improved and developed.

2. We will give priority to technical transformation in the engineering and electronics industries with the stress on developing new products. Transformation should be carried out step by step in plants making main engines and components as well as research and design institutes working on basic components and instruments, on machines and products requiring high energy input and on key products for export. All departments and regions should work out specific plans for implementation in accordance with the state's unified plans. The plans should clearly specify the targets for varieties, quality, technical properties, production costs, output, capital profit margin, labor productivity and so forth, after transformation.

3. The production and organized supply of all complete sets of equipment needed for the state's key projects in production and construction and all important products should be carried out according to unified state plans; ordinary mechanical and electrical products, under different circumstances, according to different management methods. Planned guidance should be strengthened to avoid blind production and unnecessary duplicate construction. The distribution and sales of complete sets of equipment and important products should be done well so as to maintain a balance between production, supply and marketing. For important products, we should first ensure the completion of the state's key tasks and the fulfillment of cooperative contracts. Then the enterprises are permitted to arrange for the production and marketing of some of their own products according to the consumers' requirements.

Chapter 16: Building Industry

The building industry is an important material production sector in the national economy, and has the responsibility for surveying, designing and building in all construction programs throughout the country. During the Sixth Five-Year Plan, 210 billion yuan will be spent on constructing buildings with a total floorspace of 700 million square meters. In 1985, the proportion of the completed buildings, in terms of floorspace, will be 55 percent of all that under construction, a 2.3 percent increase over the 52.7 percent in 1980. The volume of contracted work for foreign countries in monetary terms will be fairly greatly increased.

To fulfill these plans, we should do the following jobs well:

- (1) In view of the daily increasing technical transformation projects and in meeting the new situation, the building industry should undertake the tasks of technical transformation for the existing enterprises while continuing the tasks of surveying, designing and building. The industry should improve construction methods, shorten the construction period and improve construction quality according to the characteristics of small and decentralized projects and crowded worksites in technical transformation work. At the same time, it should help in construction planning and housing designs in the countryside, and in producing parts for the peasants' houses.
- (2) The building industry should define design standards for major enterprises based on conditions in our country. In industrial construction, it should adopt advanced techniques as much as possible and be economy conscious. In civilian construction, it should pay attention to appearance and variety, provided the construction is sturdy and economical and yields the desired result. The building sectors should set up or revise various regulations concerning the norms for design and work, technical management, safe operation and so forth, to be strictly enforced.
- (3) Focussing on the effort to economize on energy and raw materials and to improve the construction quality, the building sectors should transform in a planned way the existing factories producing components and fittings, update and supplement obsolete construction machinery, and raise the level of comprehensive mechanization.
- (4) The building industry should improve the administration methods of the building enterprises and the work force, set up and improve the system of economic responsibility in various forms and strengthen their economic accounting. It should also experiment in the invitation of bids with a view to improving the quality of construction, lowering the construction cost, and shortening the construction period. A system of zoning and specialization should be gradually introduced for the work force.
- (5) The industry must be guided by the principle of "joint management and uniformity in dealing with foreigners" and actively undertake contract work with foreign countries. Management over the urban and rural work forces should be strengthened so that their roles can be given full play.
- (6) We will strengthen scientific and technological research related to construction and strive to improve economic efficiency in architecture. We should selectively conduct research on the building system, especially the system of wall structures; in conserving energy and utilizing discarded industrial materials; and in the application of technical policies, economy in building, and management and administration. Those new designs, new structures, new techniques and new materials that have been proved to be effective should be used in practice in a planned way.

Chapter 17: Transportation, Posts and Telecommunications

Communications and transportation, posts and telecommunications form a strikingly weak link in our present national economy. During the Sixth Five-Year Plan period, we must concentrate our resources on strengthening our construction in these fields, improving management and administration, and increasing their capacity and efficiency in order to meet the requirements of energy exploitation and of the steady growth of the economy.

Section One: Freight Volume and the Total Business of Posts and Telecommunications Services

Following are the targets of the freight volume of posts and telecommunications services in 1985:

The volume of rail freight will be 1.2 billion tons, a 10.5 percent increase over 1980, and an average annual rise of 2 percent; the volume of goods transported will be 660 billion ton-kilometers, a 15.6 percent increase over 1980 and an average annual increase of 2.9 percent.

The volume of freight transported by ships and barges will be 460 million tons, a 16.4 percent increase over 1980, an average annual increase of 3.1 percent; the volume of goods transported will be 566.1 billion ton-kilometers, up 12 percent over 1980 and an average annual increase of 2.3 percent.

The handling capacity of China's coastal harbors will be 260 million tons, a 19.6 percent increase over 1980 and an average annual increase of 3.7 percent.

The volume of freight transported over roads by the transport departments will be 650 million tons, a 20.8 percent increase over 1980 and an average annual increase of 3.8 percent.

The total volume of air freight will be 800 million ton-kilometers, an 86.5 percent increase over 1980, an average annual increase of 13.3 percent.

The total business volume of posts and telecommunications services will be 2.37 billion yuan, a 27.4 percent increase over 1980 and an average annual increase of 5 percent.

To complete these tasks, we must take forceful measures to give full play to the existing facilities for transportation and posts and telecommunications and to further increase their capacities.

1. We must organize our transportation rationally and popularize advanced technology to increase efficiency. The railway departments have to make greater efforts in organization to achieve well balanced, direct and rational transportation. The frequency of trips in the busy double-track automatic block sections should be duly increased so as to enlarge the traffic capacity of trains. The proportion of haulage by electric and diesel locomotives should be raised and the number of large cars should be increased so as to increase

the train's load capacity. The water transport departments should reform the techniques of loading and unloading at the harbors, raise the proportion of group [2052 4809] and container transportation, enlarge the storage grounds and increase the harbors' cargo-handling capacity. If conditions permit, the coastal ports should extensively use the method of transshipment at sea in order to reduce demurrage. For transportation in oceans and coastal seas, we should popularize the advanced methods, adopt scientific management and enlarge the fleet of vessels having advanced technical equipment, and specialized vessels. For inland transportation, we should popularize the method of sectioned push-pull tug train and self powered barge transportation and improve the existing conditions of transportation. For highway transport, we should gradually transform the old motor vehicles and use more large diesel vehicles for both passenger and cargo transportation.

2. We have to improve all modes of transportation and divide the work for close coordination. There should be coordination between railways and ports, railways and mines and factories, and between long- and short-distance runs so as to further promote joint water and land transport, joint river and sea transport and joint land and air transport. The transport structure should be gradually readjusted to give full play to the roles of the waterways, highways and airways in transportation, and to increase their transportation capacity.

3. We must strengthen the management and administration of transportation enterprises; set up, improve and strictly enforce various rules and regulations; step up political and ideological work, enhance the sense of responsibility among the workers, improve loading and unloading, and ensure transportation safety.

4. The commercial and material sectors should remove the barriers of administrative zones, organize commodity circulation scientifically according to the economic zones, and avoid unnecessary transport as much as possible. The industrial sectors, in coordination with the reorganization program for enterprises, should have more enterprises close to raw material and fuel production areas so as to minimize unnecessary transportation. They should also encourage the building of enterprises and warehouses along the river and make full use of waterway transport facilities.

Section Two: Railway Construction

During the Sixth Five-Year Plan, stress will be laid on the technical transformation and construction of railways in order to increase the capacity for coal transportation. The following fields of work are to be undertaken:

1. Increase the capacity for transporting coal from Shanxi to northeast China by rail. There are three main ways to move coal out of Shanxi:

In the north: During the Sixth Five-Year Plan period, the northern section of the Datong-Pukou Railway from Taiyuan to Shuoxian (210 kilometers) will be electrified; and from Shuoxian to Datong (122 kilometers), will be double-tracked. The Datong-Fengtai line via Shacheng (377 kilometers) will also be electrified. The line from Beijing to Qinhuangdao (291 kilometers) will be

double-tracked and an attempt will be made to electrify it by 1986. The double-tracking of the Datong-Baotou line will be partially completed and at the same time, the Beijing intersection station will be expanded. To coordinate with the exploitation of coal in Shanxi, it is planned that a new line be built from Datong to Qinhuangdao via Beijing and heavy-duty trains will be used specially for coal transportation. This project will begin at the latter stage of the Sixth Five-Year Plan and be completed by sections.

In the central region: The Taiyuan-Shijiazhuang line (235 kilometers) will be electrified; the Shijiazhuang-Dezhou line (170 kilometers) and the Jinan-Lancun section (263 kilometers) of the Jiaoji Line will be completely double-tracked. Part of the Lancun-Qingdao section will also be double-tracked. At the same time, we will build a new line from Yangzhou to Shikousuo (310 kilometers) to link up the Yangzhou coal base with the Shikou Harbor, and will expedite the construction of a new line from Xinxiang to Heze.

In the south: For the Taiyuan-Jiaozuo line, the Changye-Yueshan section (153 kilometers) will be electrified. The Taiyuan-Jiaozuo and Jiaozuo-Xinxiang lines (90 kilometers); the Zhengzhou-Xuzhou section (319 kilometers) of the Longhai Railway and the Xiuwen-Linfen section (233 kilometers) of the southern Datong-Pukou line will be double-tracked.

After the completion of these plans, the amount of coal to be transported from Shanxi, western Nei Menggol and Ningxia will be increased from 72 million tons in 1980 to 120 million tons in 1985; and that to northeast China, from 14 million tons in 1980 to 29 million tons, approximately equivalent to the amount of coal now transported from Shanxi to other parts of the country.

2. Strengthen the capacity to transport coal and phosphate rock from China's southwest to other parts of the country. In 5 years, we will complete the electrification of the western portion (246 kilometers) of the Guiyang-Shuicheng section of the Guiyang-Kunming line; electrify the Guiyang-Kaile section (181 kilometers) of the Hunan-Guiyang line; double-track the Liuzhou-Litang line (135 kilometers) and reconstruct the Litang-Zhanjiang line to extend it to the Zhanjiang harbor. We will also complete the Chengdu-Chongqing line (505 kilometers), electrify the Ankang-Daxian section (284 kilometers) of the Xiangyang-Chongqing line, and at the same time, begin to reconstruct the Sichuan-Guizhou line. By 1985, the capacity of transporting goods from Yunnan and Guizhou via the Guiyang-Kunming, Hunan-Guizhou (Zhuzhou-Guiyang) and Guizhou-Guangxi Railways will reach 12 million tons, 4 million more than the 8 million tons in 1980.

3. Ease the strained transportation situation in the southeast coastal areas. In 5 years, we will complete the Anhui-Jiangxi and the Fuyang-Huainan lines and basically complete the Daye-Shahejia line; reconstruct the Ying-Xia line and the Nanchang-Jiujiang line; transform the Shanghai-Hangzhou, Zhejiang-Jiangxi and Huainan-Yuxikou lines; and continue to double-track the Hengyang-Guangzhou section of the Beijing-Guangzhou line. These construction projects will strengthen the transportation capacity of the coastal areas in the southeast.

4. Strengthen the transport capacity in China's northeast and northwest. Our main jobs are to carry out transformation and supplementary projects for the lines from Shanhaiguan to Shenyang and from Beijing to Tongliao, and to double track the Harbin-Manzhouli and Harbin-Suiyuan lines. By 1985, the capacity to transship coal to northeast China will suit the capacity to bring coal to north China from Shanxi, and the volume of timber transportation will be more than in 1980. We will complete the electrification of the Baoji-Lanzhou line and increase its traffic capacity from 6 million tons in 1980 to 12 million tons in 1985. By reconstructing the Baotou-Lanzhou line, we will be able to increase its traffic capacity from 10 million tons in 1980 to 14 million tons in 1985. We will complete the laying of tracks and other supplementary work for the Qinghai-Xizang (Xining-Geermu) and the southern Xinjiang (Turpan-Kuerle) lines and put them into operation.

5. Increase passenger transportation facilities. Over the 5 years, the Shanghai passenger station, the new Shenyang northern passenger station and the Shijiazhuang passenger station will be constructed.

During the Sixth Five-Year Plan period, a total of 2,067 kilometers of railway track will be laid; 1,689 kilometers of line will be double-tracked and 2,511 kilometers of line will be electrified. A total of 2,350 locomotives, including 300 electric and 900 diesel locomotives, 6,380 passenger cars and 72,000 freight cars will be added.

Section Three: Water Transport

During the Sixth Five-Year Plan period, the emphasis in water transport will be put on the construction of harbors and of inland water navigation facilities, the building and technical transformation of ocean-going vessel docks in particular.

1. Coastal harbors. In 5 years, construction work is scheduled on 132 deep-water berths in 15 harbors including Dalian, Qinhuangdao, Tianjin, Qingdao, Shijiusuo, Lianyungang, Shanghai, Huangpu and Zhanjiang; and 54 of them will be completed. They include six coal-loading berths at Qinhuangdao and Shikougang which will increase their capacity by 45 million tons; four mineral ore loading-unloading berths at Beicang and Zhanjiang harbors which will increase the cargo-handling capacity by 23 million tons; seven container berths at Tianjin, Shanghai and Huangpu harbors which will increase cargo-handling by 4.8 million tons; and 37 other berths which will increase cargo-handling capacity by 27 million tons.

After 5 years' construction, the handling capacity of the country's coastal harbors will total 317 million tons in 1985 as against 217 million tons in 1980.

2. Inland navigation. Stress will be put on construction along the mainstream of the Chang Jiang and the navigation projects on the Beijing-Hangzhou Canal and the Xi Jiang.

For the Chang Jiang, the main task is to increase the number of berths at Nanjing, Zhenjiang, Zhangjiakou and Nantong, for 10,000-ton sea-going vessels

so that these vessels can sail the river and help reduce the amount to be transshipped at Shanghai. Through technical transformation, the coal transfer docks in Pukou, Hankou and Zhicheng harbors will be enlarged. The loading capacity for coal at the harbors of the Chang Jiang will total 30 million tons in 1985 as against 15.7 million tons in 1980. At the same time, the harbors at Huangshi, Wuhan, Jiujiang and Wuhu will be expanded; the passenger wharves in these harbors will be reconstructed, and anchors for integrated barges will be built in Wuhan, Nanjing and Shanghai harbors.

Beijing-Hangzhou Canal. The section from Xuzhou to Yangzhou on the Beijing-Hangzhou Canal will be dredged, double-locks will be added and coal harbors will be extended. This will increase the volume of shipping and help reduce the strain on the Beijing-Pukou Railway in freight transportation. In 1985, the coal transportation capacity in the section from Xuzhou to Yangzhou will be increased from 5 million tons in 1980 to 10 million tons in 1985.

Xi Jiang. The main task is to dredge the navigation channel below Guixian, Guangxi, so that 1,000-ton barges can sail directly from the harbor in Guixian to Guangzhou during the Seventh Five-Year Plan period. A navigation center at Guiping and a harbor at Guixian will be built.

To suit the developments in ocean and inland river transportation, coastal ships with carrying capacity of 1.5 million tons, ocean-going vessels with 4.26 million tons capacity and barges with 670,000 tons capacity for the Chang Jiang will be re-outfitted or added. A total of 61,000 passenger spaces will be added to both cargo and passenger vessels. The number of runs for passenger vessels on the existing routes will be increased and new regular routes will be opened in these 5 years.

Section Four: Highway Construction

During the Sixth Five-Year Plan period, efforts will be concentrated on building and reconstructing seven principal highways. They include strengthening the network of principal highways in the southwest and northwest, that is, strengthening the Qinghai-Xizang (Xining-Lhasa) Highway, Xinjiang's Tianshan Highway and the highway from Lanzhou in Gansu to Yichuan in Shaanxi, linking the highway from Hebei through Pingquan to Shuangjingzi in eastern Nei Menggol, and connecting the highway from Sixian County in eastern Anhui to northern Jiangsu's Pukou. At the same time, we will complete the Shayang Bridge in Hubei, the Huang He bridges in Jinan and Baotou, the Chang Jiang Bridge at Luzhou, the Yuan Jiang Bridge at Changde (Hunan) and build the Huang He Bridge at Zhengzhou and the Songhua Jiang Bridge at Harbin. These measures will improve the traffic conditions on some main highways.

In accordance with unified plans and unified standards set by the state, all regions will gradually improve their main highways joining various provinces, municipalities and autonomous regions; and various busy ports and industrial and agricultural bases. During the Sixth Five-Year Plan period, we will first open up the unfinished roads of 50 kilometers or less and of economic significance, and put up bridges at the important ferry points so that all main highways can join to form a network.

The method of building and managing public projects by the local people but subsidized by the state should be maintained. Highways in counties and communes should be built so as to improve rural transportation.

Section Five: Civil Aviation Construction

In 5 years, the final stage of the projects associated with Urumqi and Beijing airports will be completed. The airports at Shanghai, Guangzhou, Chengdu, Kunming, Changsha, Dalian, Shenyang, Guilin, Fuzhou, Lanzhou, Qingdao and some others on local routes will be expanded, and their technical quality and capacity will be improved. The Xian Airport will be expanded at a new location. We will complete the Duanhuang and other airports, and do the advance work for the expansion of the Wuhan Airport. The communications, navigational and air traffic control facilities will be gradually improved.

We will also buy new-type planes and update or phase out some old ones.

To meet the requirements of passenger and cargo transportation along domestic and international routes, and of tourism and foreign trade, we will properly readjust the international and domestic routes, including the main routes and the local routes of the provinces and autonomous regions, and open new routes; increase the number of flights and develop specialized aviation to serve agriculture and energy exploitation; and raise the daily utilization rate and tap all carrying potential of planes, ensure safety and improve services.

Section Six: Posts and Telecommunications

During the Sixth Five-Year Plan period, emphasis will be put on improving facilities for local calls, particularly in large cities, increasing long-distance telecommunications service and expanding the capacity of international telecommunications so as to accelerate the development of posts and telecommunications. In 5 years, 700,000 telephones will be installed, 6,200 kilometers of telecommunications cables for long-distance calls will be added and 2,700 telephone offices and sub-offices will be reconstructed or built.

1. City telephone service. The total national capacity will be increased from 2 million households in 1980 to 2.7 million households in 1985. In 12 cities--namely, Beijing, Tianjin, Shanghai, Guangzhou, Shenyang, Nanjing, Hangzhou, Fuzhou, Wuhan, Chengdu, Xian and Harbin--the capacity of city telephones will be increased to 350,000 households in 5 years, an increase of 80-100 percent over 1980. This will ease the strain on telephone circuits and increase the rate of successful connections in these cities.

2. Domestic long-distance telecommunications service. Priority will be given to increase the capacity of the trunk lines. This includes the continued construction of the Beijing-Hankou-Guangzhou coaxial cable and the opening and operation of the Beijing-Changsha section. Part of the open trunk line cables will be replaced by underground cables. We will strengthen technical transformation for microwave trunk lines and give full play to their transmitting capacity. We will use the international satellite communications channels on a lease basis and set up land stations in Beijing, Lhasa, Urumqi and Hohhot for domestic communications. During the Sixth Five-Year Plan period, 6,000 long distance circuits will be added.

In the 5 years, 5,000 additional sets of automatic exchange equipment will be installed for long-distance telephones. By 1985, the telephone users can call from Beijing to all provincial capitals, from one provincial capital to another and from the provincial capitals to some prefectures and municipalities on the long-distance circuit through automatic or semiautomatic connections.

3. International telecommunications. Priority will be given to the establishment of telecommunications bureaus in Beijing and Shanghai, the expansion of international telecommunications installations in Guangzhou and other localities, and the increase in international communications capacity in the key cities and those cities which are open for international contacts, such as Tianjin, Fuzhou, Dalian, Qingdao and Xiamen. By 1985, part of the telephone users in these cities will be able to call the large countries and regions of the world through international long-distance circuits with automatic or semi-automatic connections. We will also develop international cable service and build mail exchange stations in Shanghai and Tianjin.

4. Postal service. Priority will be given to adjusting the postal network, completing the mail transfer center in Shanghai, and postal centers in Guangzhou, Yantai, Zhengzhou, Wuhan, Changsha, Shijiazhuang, Taiyuan, Xining and Urumqi; and partially completing the Beijing Postal Center in order to enlarge the scope of service. Mechanized equipment will be used for loading, unloading, transporting and internal processing at the bureaus in the provincial capitals and other key cities.

Chapter 18: Domestic Commerce

During the Sixth Five-Year Plan period, we will adopt flexible policies to promote circulation. We will increase procurement and supply, readjust the commercial structure, improve the circulation network, raise the management level, and maintain a basic stability of prices in order to better serve the urban and rural population in their daily life, and to promote and guide industrial and agricultural development.

Section One: Balancing Commodity Supply and Demand

According to the plan, the 1985 volume of retail sales will reach 290 billion yuan (excluding the peasants' retail sales to the nonagricultural population). This is 40 percent greater than that of 1980, an average annual increase of 7 percent; 7.5 percent annually for rural retail sales and 6.3 percent for urban retail sales.

In 1985, compared with 1980, the retail sales volume of foodstuffs will increase by 37.7 percent, that of clothing, by 39.7 percent; that of consumer goods for daily use, by 56.5 percent; and that of fuel for civilian use, by 42.2 percent. Of the total volume of retail sales, the proportion of consumer goods for daily use will rise by 2.2 percent with corresponding reduction in foodstuffs and clothing.

In the Sixth Five-Year Plan, in order to maintain the balance of supply and demand on the market and to keep prices basically stable, commercial sectors and production sectors should, on the basis of increasing production, concert their efforts to find more sources of commodities and organize more saleable goods for the market; they should strengthen unified leadership and planned management of the market, open up more channels and reduce intermediate links so as to facilitate circulation, handle supply properly and improve retail sales. The major measures to be taken are as follows:

1. Step up the work of procurement of agricultural sideline products and their planned supply. In procuring agricultural sideline products, we must keep in mind the interests of the state, the collective and the individual and set a reasonable ratio between procurement and retention. For those agricultural sideline products which have an important bearing on the national economy and people's livelihood, we must continue to implement the policy of procurement and quota procurement. The state plans for the distribution of procured products must be fulfilled. The number of items covered by procurement contracts should be gradually increased, and, at the same time, transactions at negotiated prices should be encouraged.

The work at all stages should be carefully carried out to strengthen the planned supply of agricultural sideline products. In handling grain, we must strictly follow the state's procurement policy, and the policy of responsibility for procurement, marketing, and distribution. The system of rewards for selling grain should be revised, and the amount of such grain should be reduced. We should economize on the use of fodder, seeds and grain for industrial use and strictly control the amount of grain to be sold in the urban and rural areas. In addition to agricultural sideline products of the third category, those of the first and second categories--with the exception of cotton--whose procurement quotas have been fulfilled can be sold through different channels. The departments dealing in these products should increase their sales outlets, capacities for storage, transportation and refrigeration facilities and ensure the supply of wholesome food.

2. Carefully attend to the procurement and supply of industrial consumer goods. Besides continuing the systems of unified purchasing and marketing (and distributing), planned purchasing, ordering and selective purchases, state-run commercial units should energetically act as the wholesale agents for the goods sold by the industrial units themselves or form industrial-commercial unions with them. In dealing with commodities for which demand exceeds supply, we must distribute the supply rationally by protecting the key units without neglecting the ordinary ones. If the output exceeds sales, resulting in serious overstocking, then, in addition to more active state guidance and restricted production, the commercial sectors should actively open more avenues for sales.

3. Energetically develop commercial industries and food service trades. It is expected that in 1985, the output value of the processing industry will be 60 billion yuan, a 54 percent increase over 1980, and the output value of the food service trade turnover will be 14.4 billion yuan, a 43 percent increase over 1980. The commercial industries should give priority to the processing of flour, grain, oil and fruits, and the production and processing of high- and medium-grade foodstuffs, candies, cold drinks, and condiments; and the processing of meat, eggs and prepared foodstuffs; and garment processing.

4. Organize the flow of industrial goods to the countryside. Chemical fertilizers, pesticides, plastic sheets for farming and the small and medium-size farm tools should be supplied in time for farming according to seasonal needs. During the Sixth Five-Year Plan period, we will increase the output of bicycles and sewing machines, mostly to be supplied to the countryside. We should also send more building materials, such as cement, glass and steel products for building houses in the countryside.

Section Two: Commercial Structure

During the Sixth Five-Year Plan period, while ensuring the dominant position of state-run commerce, we will go all out to promote collective and individual commerce, thus gradually developing a commodity circulation system characterized by diverse economic forms, more channels of circulation, but with fewer levels of management.

In 1985, the number of outlets for retail sales, food service trades and service trades throughout the country will be 4.4 million, an increase of 2.38 million over 1980, a 1.2-fold increase. There will be on the average 4.3 stores for every 1,000 people, 2.2 more than in 1980. The number of personnel in these businesses will be 16 million, 6.73 million more than in 1980, an increase of 73 percent.

To strengthen the state's leadership of the unified socialist market, we must include all major commercial activities in the state plan, clearly specify the management scope for various forms of commerce and provide strict supervision and management.

State-run commerce is the main channel for commodity circulation in our country and the leading force in the unified socialist market. State-run commercial units are entrusted by the state with handling commodities under unified purchase, marketing and distribution, and are designated by the state as sole agents for the unified procurement, wholesale and control of special commodities. In the planned procurement and quota procurement of commodities, the state-run commercial units and the supply and marketing cooperatives will organize the purchases in accordance with state plans for production, procurement and exports.

Governments at all levels should actively support collective commerce and individual commerce and give full play to their roles in commodity circulation. In 5 years, there should be a fairly large increase in the proportion of collective and individual retail sales to the total retail sales volume.

Section Three: Management of State-Run Commerce

The responsibility system of management for commercial enterprises at all levels should be implemented and perfected. The system of contracting for business operations should be gradually introduced among the small food and service stores and in commerce, and a better job should be done in the distribution of commodities so as to guard against the practice of supplying goods only for wholesale but not retail sales, or to the cities but not the countryside. All commercial enterprises should strengthen the management of funds on the basis

of an inventory of assets and accounting of funds. Wholesale enterprises should gradually adopt the system of commodity accounting by sections and practice cost accounting. The basic-level wholesale and retail sale stores should study and work out methods for quota management of funds. The use of noncommodity funds should be further curtailed in all commercial links so that the turnover of funds can proceed faster. If there are two or three sets of wholesale structures in the same city and same trade, merging or readjustment will be called for. All commercial enterprises should tighten the management of funds and the circulation of commodities should be organized according to economic zones.

Commercial administrative departments at all levels and all basic-level enterprises should step up political and ideological work among the workers and staff members and carry out education in ethics-based business transactions so as to better serve the consumers. They should run commercial schools for the training, or rotational training of their personnel including store clerks and administrators, in order to raise their cultural, vocational and technical levels.

To guide production and consumption, to plan the circulation of commodities more effectively and to guard against rash action, we must organize our resources and conduct market forecasting and to publicize commercial predictions regularly.

Chapter 19: Economic Relations and Trade With Foreign Countries

During the Sixth Five-Year Plan period, we should firmly uphold the open-door policy and the principle of equality and mutual benefit on the basis of self-reliance, vigorously develop foreign trade and economic and technical exchange with foreign countries, and actively and effectively use available foreign funds to import the kind of technology that is suitable for our national conditions and to promote the development of domestic economic construction.

Section One: Import and Export

During the Sixth Five-Year Plan period, we will uphold the principle of unified planning, unified policy and taking concerted action in foreign trade while bringing into play the initiatives of the local authorities, departments and enterprises engaged in foreign trade. We must keep close watch on fluctuations in the international market, make timely adjustments to our import-export mix and to improve the conditions for foreign trade in order to produce better economic results.

According to the plan, the nation's total turnover of imports and exports in 1985 will reach 85.5 billion yuan, a 52 percent increase over 1980 and an average annual growth of 8.7 percent. Of this, imports will amount to 45.3 billion yuan, an average annual increase of 9.2 percent, and exports to 40.2 billion yuan, an average annual increase of 8.1 percent.

In imports, advanced technology and key equipment, when necessary and possible, are to be introduced into our country. We will give priority to importing materials that are in short supply and needed in production and construction at home. We will organize well the import of materials needed on the home market and materials that can be used to increase our exports. All materials imported directly by local governments or the departments should be included in the unified plan of the state. Equipment, consumer goods in particular, which can be made in our country, must not be imported indiscriminately so as to protect and encourage our national industry.

In exports, the outflow of materials essential to the national economy and people's livelihood is to be handled strictly in accordance with state planning; in the case of textile and other light industrial products and handicrafts, we should take full advantage of our superior traditional technical know-how and skills and our huge manpower and actively expand their export under the principle of promoting exports through imports. We should look for a larger world market for our machinery and electrical products. We will make efforts to raise our products to a still higher technical level and to expand the export of what we have in abundance, or such products as nonferrous and rare metals, nonmetal minerals, chemical and pharmaceutical products for which we have great potential. Exports of farm and sideline products, native products and animal products should be well organized according to plan. But we must limit the export of goods which consume too much energy in production.

The major measures to increase exports during the Sixth Five-Year Plan period are as follows:

1. Actively develop the production of commodities for export. All provinces, municipalities, autonomous regions and the relevant departments should carefully organize their production and procurement according to the state's export plan. They should take effective measures to develop a number of key commodities that are popular and competitive for export. All the existing export bases and all specialized or designated plants should be reorganized and improved, along with the improvement of the methods of economic accounting. We should make available to them the necessary funds, foreign exchange and materials.
2. Strive to improve the quality of export commodities. The quality of all export commodities should be constantly improved to suit the changes in the international market. We will increase their varieties, improve their packaging, strictly fulfill our contracts, make on-time deliveries, and increase their competitive power. It is particularly necessary for the coastal provinces and municipalities to set distinctive goals for surpassing the international standards and producing more fine-quality, high-grade and brand-name export commodities and to increase the export of finished products. They should set up combined operations of industry and foreign trade and of technology and foreign trade, strengthen the scientific research and design forces and import some advanced technology to promote the production of consumer goods and upgrade the mechanical and electrical products in our country.
3. Strengthen and improve foreign trade management. We should sum up our experiences and actively and steadily reform our system of foreign trade control. We should also systematically reorganize the enterprises engaged in export,

further strengthen the administration and coordination of work in foreign trade, and conscientiously enforce the system of import-export licenses. The handling of commodities of the same variety by different departments and localities working at cross purposes should be coordinated by the General Foreign Trade Corporation. All departments and enterprises engaged in export must set up and improve the system of responsibility for management and the system of economic accounting. They should strive to lower the cost of foreign exchange earnings in exports, reduce irrational stocking, accelerate the turnover of funds, and economize on circulation expenses. Foreign trade personnel should be trained in various ways to raise the levels of business and financial management.

4. Step up investigation and study and sales promotion on the international market. We should consolidate the old market, create a new market, and further increase the outlets and channels of sales to foreign countries. Efforts must be made in commercial advertisement and in providing technical services so as to invigorate our business.

Section Two: Use of Foreign Funds

During the Sixth Five-Year Plan period, we must make good and effective use of foreign funds according to the needs of national construction, to our capacity for installing complete sets of equipment and to our capacity to repay and our ability to handle the funds in an effort to promote the development of our production and construction. We should use foreign funds mainly to develop energy and transportation, and to modernize our equipment. These funds should also be used to finance the introduction of foreign technology and for technical transformation.

During the Sixth Five-Year Plan period, the following points should be noted in the use of foreign funds:

1. First priority should be given to those projects covered by foreign contracts and approved by the state, so that their roles can be brought into play. A number of construction projects requiring the use of foreign funds should be selected for technical and economic appraisal and for advance work. Negotiations with foreign countries can be conducted only after state approval.
2. For the technical transformation of old enterprises, the policies of using foreign funds and importing technology can be more flexible and the examination and approval procedures should be simplified.
3. All areas, departments and enterprises borrowing foreign funds or forming joint ventures must strictly observe state laws and decrees. Those borrowing foreign funds must be clearly aware of their responsibility to repay the principal and interest. The units seeking loans themselves must be responsible for their repayment. Those enterprises using foreign funds must strictly enforce the system of economic accounting.

Section Three: State Foreign Exchange Earnings and Payments

During the Sixth Five-Year Plan period, we must strive to increase foreign exchange earnings and reduce foreign exchange payments, strictly control non-trade payments and see that foreign exchange earnings and payments are basically balanced.

The following points should be noted in foreign exchange earnings and payments:

All areas, departments and enterprises must use their foreign exchange only to meet their most urgent needs and with maximum economic results. The foreign exchange earned from overseas remittances, tourism, sea transport, insurance and labor cooperation must be judiciously used.

All units and individuals must strictly observe state laws on foreign exchange control. Circulation of foreign exchange in the country, and the buying and selling of foreign exchange by private individuals or illegal dealings in foreign exchange in any form are prohibited. The retention of foreign exchange should be based on annual plans for its use.

Section Four: International Economic Aid and Cooperation

During the Sixth Five-Year Plan, we must carry out foreign aid work well. At the same time, we must develop international economic and technical cooperation on the basis of equality and mutual benefit.

Economic aid to the Third World countries should be mainly in the form of loans and of small and medium-size complete sets of equipment. We should take the initiative in seeking technical cooperation in completed projects. We should also actively develop various forms of economic and technical cooperation with the Third World countries and carefully attend to the dispatch of medical teams to these countries.

We should continue to develop multilateral technical cooperation with various UN organizations and be prepared to receive international aid.

Section Five: Special Economic Zones

To meet the requirements of developing economic and technical cooperation and exchange with foreign countries, we will set up experimental special economic zones in Shenzhen, Zhuhai and Shantou in Guangdong, and Xiamen in Fujian. We should review the experience gained from these zones and accordingly build up and run these special zones more efficiently.

These experimental special economic zones must observe the relevant laws and decrees of the state and follow the state's planned guidance and special policies. More active leadership should be provided over the special economic zones so as to set right their business ideology and improve their management. Political and ideological work should also be stepped up so that the workers and local residents can be taught to preserve socialist ethics.

There should be an overall plan for the development of special economic zones. We must pay special attention to the infrastructural facilities, gradually develop them and hope that in 5 years or a little longer, these fledgling special zones will be able to contribute to the state's economic construction.

Section Six: Tourism

During the Sixth Five-Year Plan period, we must carefully attend to the reception of tourists from foreign countries and from Hong Kong and Macao. In 1985, we plan to receive 2 million tourists visiting various parts of the country, a 70 percent increase over the 1980 figure of 1.16 million.

To promote tourism, we should pay special attention to the following three tasks:

1. Construction of facilities for the industry will be properly expanded. During the Sixth Five-Year Plan period, we must first solve the problem of shortage of hotel accommodations in the key cities, such as Beijing, Shanghai, Xian and Guilin. It is planned that approximately 60 hotels with 20,000 rooms will be built or expanded in the country.
2. Tourist areas will be further developed. An overall plan for the scenic spots in Taihu, the Three Gorges of the Chang Jiang, Taishan, Huangshan, Emishan, Lushan and Wutaishan will be worked out, and Mutianyu Great Wall of Beijing, the Huanghelou in Wuhan and other tourist attractions will be opened or restored.
3. The quality of service will be further improved. Training will be conducted in various forms to raise the standards of interpreters, tour guides and cooks, and special courses on tourism will be run in five colleges and schools to train more personnel in tourism. These personnel must improve their attitude toward service, and stress civilization and courtesy. The civil aviation, railway and communications departments and the tourist departments should closely support and cooperate with one another.

Section Seven: Customs and Commodity Inspection

Customs work must be strengthened in order to implement the open-door policy more effectively. While giving every convenience to travellers entering or leaving the country, we must seriously suppress smuggling and other illegal activities. We should readjust the rate of customs duties in good time to encourage or limit the import or export of certain commodities. Only thus can we help enlarge our economic and technical exchanges with foreign countries and at the same time protect and promote the development of production at home. We will compile a comprehensive "Import-Export Customs Duty Regulations" in order to improve our tax law.

We must strengthen our work of inspecting goods imported or exported and gradually enlarge the scope of inspection so as to ensure the good quality of goods imported or exported, to guard against the import or export of substandard goods, and to protect the state's prestige and political and economic rights and interests.

Part Three: Plan for Regional Economic Development

Chapter 20: Coastal Areas

The majority of provinces along the coast (Note: This refers to Liaoning, Hebei, Tianjin, Beijing, Shandong, Jiangsu, Shanghai, Zhejiang, Fujian, Guangdong and Guangxi, which are the provinces, municipalities and autonomous regions; but does not include Taiwan Province) are fairly well developed economically and have a fairly high technological level. They are important economic bases in our national economy. During the Sixth Five-Year Plan period, we will make the most of the coastal areas and take full advantage of their special favorable conditions to help stimulate economic development in the interior.

1. We will bring into play the superiority of these areas' scientific research forces and their high level of technology and management so that industrial production can be oriented to sophisticated new products.

During the Sixth Five-Year Plan, the provinces, municipalities and autonomous regions in the coastal areas should readjust production in their major industrial branches, especially in the processing industry and change the product mix according to the needs of society and based on the principles of consuming less energy and raw materials; requiring less transportation, and causing less pollution by waste water, waste gas and industrial residue; requiring high technological and labor intensity; and producing a high rate of foreign exchange earnings. In light and textile industries, special attention should be paid to 20 key cities including Shanghai, Beijing, Tianjin, Dalian, Nanjing, Hangzhou, Fuzhou, Qingdao and Guangzhou, which have a good foundation for light industry and special features for their products, for the development of imitation wool, imitation silk, chemical knitted goods, woolen goods, woolen yarn, knit reproductions [5958 0455 0756], high and medium-grade garments, new plastic products, new types of foodstuffs, high-grade furniture, durable consumer goods, brand-name and fine-quality products and new products. In the machine tool and electronics industries, particular attention should be paid to the technical transformation of the existing enterprises of the large coastal cities in actively developing high-level precision machines, instruments and meters and electronics products in order to turn these enterprises into main bases for

upgrading the machinery and electronics products of the whole nation. In the chemical industry, we should vigorously increase the intensity of processing and raise the level of comprehensive utilization so as to produce more fine chemical products. The production of ordinary goods should gradually be shifted inland for some trades. In starting any new processing industry, we must firmly adhere to the principle of proximity to the producing areas of raw materials and energy as well as the location of markets. Generally, this should not take place in the coastal provinces, municipalities and autonomous regions.

2. We will gradually ease the strained situation of energy and transportation and effectively tap the production capacity in order to turn out more industrial products needed by society.

(1) We must try every possible means to conserve energy. In 5 years, through various energy conservation measures, we expect to save or reduce the consumption of energy by 30-38.5 million tons of standard coal which is equivalent to 43 percent of the total national saving.

(2) We will gradually shift the production of aluminum, iron alloy and other products which consume a great deal of energy, to the inland areas where power resources are fairly plentiful.

(3) We will strengthen the exploitation of energy resources in the regions where such resources are fairly rich. In 5 years, the scale of coal production in the coastal areas will reach 55 million tons, or 24.4 percent of the total national scale.

(4) We will accelerate the construction of coastal harbors, step up the technical transformation of the existing railway trunk lines, and build some new connection and diversion lines.

3. We will take advantage of favorable conditions to develop economic relations and trade with foreign countries.

During the Sixth Five-Year Plan period, in accordance with the principle of overall arrangement for domestic and foreign sales, the coastal areas, especially Shanghai, Tianjin and other large cities, should make efforts to expand exports. They should give priority to the export of high and medium-grade products and multi-processed goods, so as to reduce or control the export of primary products. We should make good use of our huge labor power, fine processing skills and the convenience of transportation in coastal areas to develop exports of finished products using imported materials. At the same time, based on the need to transform the existing enterprises and to develop new products, we should use a portion of our foreign funds according to plan in order to introduce some suitable technology, to raise the technical level of production and to speed up the upgrading of products. The state will grant greater decisionmaking power to such large coastal cities as Shanghai and Tianjin so that they can play a more active role in opening to the international market and promoting economic and trade relations and technical exchange with foreign countries.

4. We will take advantage of our superior natural resources and vigorously develop agricultural production.

(1) We will rationally readjust our crop pattern. We should guarantee the area for grain crops, provide land for cotton and sugarcane, and control the development of rapeseed. At present, Hebei, Guangdong and Fujian still need grain from outside. They must make an effort to increase their grain output and to become self-sufficient in this respect.

(2) We should develop seawater fish breeding and give priority to equipping a number of fishing boats with strong towing power, high cruising speed, long cruising time, and comparatively advanced technical equipment, so that they can make their catch in the open seas.

(3) We must take good advantage of the natural conditions in the tropical and subtropical zones to develop such crops as rubber, coconuts, oil palm and coffee, and the production of bananas, pineapples and litchi.

Chapter 21: Inland Areas

The inland areas, or the provinces and autonomous regions which are not in the coastal areas, are large and rich in resources. After 30 years of construction, these inland areas have become the home of a large number of industrial bases which have a fairly good material and technical foundation. During the Sixth Five-Year Plan period, while accelerating the economic development of the coastal areas, we should make great efforts to develop the economy of the inland areas.

1. We will accelerate the development of the energy, communications and raw and semifinished materials industries so as to support economic development in the coastal areas.

In the energy industry, stress should be put on exploiting the coal mines in Shanxi so that more coal can be brought out to some nearby provinces in east China and to Beijing, Tianjin and Liaoning. Efforts should also be made to exploit the coal mines in eastern Heilongjiang and eastern Nei Menggol, mainly to be supplied to Liaoning. We will continue to build the coal bases in western Henan, north of the Weishui River and the Huainan and Huaibei areas for supporting the east China area in addition to the central-southern areas. Great efforts should also be made to exploit the coal resources in western Guizhou to support Guangdong and Guangxi in addition to Sichuan. During the Sixth Five-Year Plan period, the scale of construction for the inland mining industry will reach 172 million tons, 75.6 percent of the national output. In 1985, coal output will be 75 million tons more than in 1980. At the same time, we will build a number of large thermal power and hydropower stations.

In the raw and semifinished material industry, stress should be put on the largest copper and sulphur production base in our country which has been initially completed with the Dexing Copper Mine as the core. We will also build the Jinchuan Nonferrous Mineral Company of Gansu into an important base for the production of nickel, copper, platinum and cobalt, and speed up the exploitation of phosphorus mines which have rich resources and convenient transportation in Guizhou, Yunnan and Hubei.

In coordination with the development of the energy and raw material industries, we will also strengthen the traffic capacity of the main railway trunk lines for coal transportation and continue with the supplementary projects for the newly built lines.

2. We will carry out readjustment, reorganization and coordination of the existing machine-building industry.

A number of new engineering bases have been formed in the southwestern and northwestern regions, but they are too decentralized and their production capacities are not well coordinated. During the Sixth Five-Year Plan period, we will work out readjustment plans according to the requirements of national economic development and our capability, and appropriately fill some gaps or carry out the "closing, suspending, merging and retooling" treatment as circumstances demand, in order to solve the problems left over from the past and to bring into play the role of the inland engineering industry.

3. We will raise the level of self-sufficiency in industrial goods for daily use.

The inland provinces and autonomous regions have rich resources of wool, hemp, silk, sugar and tobacco. On the premise of fulfilling their quotas, they should, in line with the special features of their local resources, develop the production of consumer goods in a planned way so as to raise their level of self-sufficiency in industrial products for daily use.

4. We should give full play to the inland areas' potential for agricultural production.

The inland provinces and autonomous regions are the major agricultural regions in our country and have great potentials which can be developed. During the Sixth Five-Year Plan period, we will strengthen our corrective measures and our development of medium-yield areas (mainly the Huanghe-Huaihe-Haihe plains) and the low-yield or grain deficient areas (mainly the northwest loess plateau); and vigorously promote agricultural--particularly grain--production. When grain is freed of competition for acreage, cash crops should be actively promoted. The main projects of forming shelterbelts in the western part of northeast China and the northern part of north China should be continued so that a network of regional shelterbelts can be formed as soon as possible. In the several southern provinces, the production of tung oil, lacquer, tangerines and other important subtropical economic forest resources should be developed. On the premise of preserving water and soil, we should develop animal husbandry by making use of the pastures, grasslands and the fodder resources. The lakes, reservoirs and ponds should be fully utilized for breeding fresh-water fish.

Chapter 22: Minority Nationality Regions

After 30 years of construction, the minority nationality regions in our country have undergone great development economically and culturally, and the people's material and cultural lives have shown marked improvement. However, the material and technological foundation is still weak and their culture and science are not well developed. During the Sixth Five-Year Plan period, we will actively support and help these regions to develop production and promote economic prosperity.

1. We will give full play to the superior resources for agriculture and animal husbandry and strive to increase their production.

During the Sixth Five-Year Plan period, these regions should strive to raise their level of self-sufficiency in grain. At the same time, they should develop cash crops. The cotton production base in Xinjiang should be further developed, and in Xinjiang, Nei Menggol and Ningxia, the output of beetroot should be appropriately increased. For the arid regions, active efforts should be made to exploit water resources, to economize on the use of water, to carry out irrigation properly, and to guard against the salinization of soil. At the same time, the habit of extensive farming should be changed.

There are spacious pastures suitable for herding in Nei Menggol, Xinjiang, Ningxia and Xizang, and a good foundation is available for animal husbandry. We must use the pastures rationally, improve the natural pastures, further the building of pastures, plant superior fodder, and gradually set up manmade fodder and forage bases in order to speed up animal husbandry development.

2. We will strengthen planned industrial construction in accordance with local resources.

After completing the task of transferring raw materials, these regions should develop woolen and cotton textiles, milk products, sugar refineries, and the leather and carpet industries. In 5 years, we will increase the capacity for cotton textiles by 270,000 spindles and that for woolen textiles by 54,000 spindles, build or expand a number of sugar refineries and milk product plants, and accelerate the development of processing industries for agricultural and animal products.

3. We will develop special products needed by the minority nationalities and improve our minority trade.

Under the principle of producing and supplying in close proximity, we will arrange for the production and supply of products specially needed by the minority nationalities. The supply of raw and semifinished materials must be ensured and more commercial outlets with appropriately increased personnel will be established in order to improve the minority trade.

4. We will continue to support the minority nationalities through financial, material and technical resources.

During the Sixth Five-Year Plan period, the state will grant a 10 percent annual increase in financial subsidies to these regions. It will also allocate 500 million yuan annually to help develop the economies in these regions and the other economically underdeveloped regions. These funds will be used under central control and unified arrangement. The economically developed regions should develop economic and technical exchanges and form various types of joint ventures or cooperation with the minority nationality regions.

Chapter 23: Regional Cooperation

The development of economic and technical cooperation is of great significance in bringing into play various regional strong points, in achieving an overall national balance, in enlivening the economy, in promoting production and technological progress and in improving social economic results. During the Sixth Five-Year Plan period, we should sum up our experiences and then develop regional economic and technical cooperation in a planned and systematic way. In 5 years, such cooperation will develop in the following directions:

1. Material cooperation. The scope of material cooperation between regions is as follows: The state will distribute supplies to various regions under a unified plan. After completing the task of delivery to the state, the localities will have the remaining products at their disposal. The foreign exchange which the localities have will be used to import materials. In order that the cooperation regarding important materials can be carried out according to plans, plans will be formulated, beginning in 1983, for material cooperation involving coal, cement, timber, rolled steel, pig iron and coke. Through these plans, stable and long-lasting ties can be established gradually for large-scale material cooperation. The prices of materials involved in such cooperation should generally be based on state-set prices. If necessary, however, they can be set by the cooperating parties within the limits prescribed by the state, as agreed upon after discussion.

2. Technical cooperation. This can take many different forms, such as the transfer of technology, the export of technology, consultation service, and the supply of qualified personnel. Through these forms of cooperation, we will be able to bring the advanced science and technology, production technology, and experiences in business management from the coastal areas, particularly Shanghai, to the inland areas in order to raise the production technology and management levels there. All departments and regions should study and work out the necessary policies and management methods in order to promote the development of technical cooperation among regions in depth and in breadth.

3. Economic union. This is a form of economic and technical cooperation in many different respects, such as funds, technology, raw materials and qualified personnel. Economic union should not be restricted by the departments, regions or system of ownership. It is flexible and can take many forms, such as technical proliferation, joint operation of plants, cooperative production, processing with supplied materials, processing with supplied samples, and "compensatory trade." During the Sixth Five-Year Plan period, the development of economic union should be helpful to the state's economic readjustment, be based on realities and capability, and should yield practical results. The focus of construction with pooled funds should be on coal, electricity, building materials, forest products, phosphate fertilizer, potash fertilizer, raw materials for light and chemical industries and other important energy conservation measures; and on the production of products in short supply that are needed for the market and export. Such construction should be based on utilizing the existing enterprises and the already available facilities as much as possible.

The following points should be noted in developing regional economic and technical cooperation during the Sixth Five-Year Plan period:

(1) We should adhere to the principle of coordinating all activities of the nation like moves on a chessboard and strengthened planned guidance. The departments concerned in the State Council and the provinces, municipalities and autonomous regions should carefully handle large-scale material cooperation, technical cooperation and various forms of economic union and the coordination of various cooperative projects, in addition to the coordination of financial, material and technical resources. Plans for regional cooperation should be worked out, reported to the higher authorities and relayed to the lower levels by planning commissions of the same level. The important economic and technical cooperative projects must go through economic and technical appraisals and feasibility study before being incorporated into the plans. The state will actively support the kind of cooperation that is conducive to a healthy economy and overall development, and will organize for its harmonious function. The spontaneous cooperation among basic-level units should be gradually turned into well led, well organized and well planned cooperation. A precondition for regional economic cooperation is that such cooperation must ensure, or be helpful to, the completion of the state's planned tasks. It must not force down the state's planned targets or conflict with the state plans in an attempt to increase cooperative output.

(2) We should implement the contract system conscientiously. A contract of cooperation, once signed, must be strictly observed and cannot be unilaterally abrogated. For the cooperative materials, the communications and transportation departments should sign transportation contracts according to plans for cooperation.

(3) The organization and management of regional economic and technical cooperation must be strengthened. The State Economic Commission and the State Planning Commission should form regular contacts with the cooperative bodies of the provinces, municipalities and autonomous regions so that a nationwide administrative system for economic cooperation will be formed. This system will be helpful in detecting problems and solving them in the course of cooperation.

(4) We must pay close attention to legislative work in regional economic and technical cooperation. In 1983, the departments concerned in the State Council will work out the rules and regulations concerning economic and technical cooperation after conducting investigations and study and summing up their experiences.

Chapter 24: Exploitation and Rehabilitation of Our Land

The basic requirements of the exploitation and rehabilitation of our land are to correctly handle the relationship between economic development on the one hand and the population, resources and ecology on the other; and to properly allocate the productive forces in order that we can fully and effectively utilize various resources, gain the best economic and ecological results in all production and construction activities, and promote the harmonious development of the national economy and all social undertakings. The specific tasks during the Sixth Five-Year Plan period are as follows:

1. We will draw up plans for the exploitation and rehabilitation of land in some parts of the country. First of all, we will draw up a plan for the economic zone in the Chang Jiang Delta with Shanghai as its center, a plan for the economic zone embracing bases of the coal and heavy and chemical industries in the western part of Nei Monggol, northern Shaanxi, Ningxia and western Henan with Shanxi as its center. We will also draw up an outline of the plan to exploit and renovate the Beijing, Tianjin and Tangshan areas; and revise the plans for a comprehensive renovation of the middle and lower reaches of the Chang Jiang, the middle and lower reaches of the Huang He, and the valleys of the Huai He, Ju Jiang, Liao He, Songhua Jiang, Hai He and Luan He. The provinces, municipalities and autonomous regions should also select one or several key areas and draw up plans for the exploitation and renovation of the national territory. The provinces, municipalities and autonomous regions under the required conditions may also draw up such plans for their own exploitation and renovation.

2. We will conduct resource surveys in the key areas. The state will give priority to the exploitation of such subtropical regions as Hainan Island and Xishuangbanna, and the mountainous areas of the south; the control of water and soil erosion on the loess plateau and of flood, waterlogging, drought and salination in the Huang He-Huai He-Hai He regions; the rehabilitation of the desertified areas, pastures and herding areas; and the comprehensive surveys and special research programs. All provinces, municipalities and autonomous regions should also conduct detailed investigations on the resources of their key areas so that they can be well prepared to draw up comprehensive plans for the exploitation and renovation of the national territory in a planned and systematic way.

3. We will further improve the work of agricultural resources surveys and agricultural zoning. In 5 years, we will basically ascertain the quantity and quality of the main agricultural resources in the majority of regions throughout

the country and, on this basis, work out an overall plan for land utilization. At the same time, we will initially complete the work of agricultural zoning in the majority of counties, and use the results of the zoning to work out an agricultural development plan based on local conditions.

4. We will strengthen the protection and administration of our land. Particular attention will be paid to the protection of water and soil along the Wuding He, Huangfu Chuan and Sanchuan He at the valley of the Huang He, Dingxi County in Gansu Province, the Liu He in the Liao He valley, the upper reaches of the Yongding He in the Hai He valley, Xingguo County in Jiangxi Province, and the reservoir areas of the Gezhouba dam project. The control and utilization of water resources should be strengthened along with unified planning and unified control over the surface water and underground water.

5. We must do a good job in surveying and exploiting maritime resources. During the Sixth Five-Year Plan period, special attention will be paid to the coastal zones and the continental shelf, and continued efforts will be made to do advance work in the exploitation and utilization of maritime resources and in the economic zoning of nearby seas. We should also pay attention to safe environments for working at sea and strengthen control over the sea areas. At the same time, we should systematically carry out experimental prospecting and exploitation of deep sea mineral resources and supply services in the form of maritime data and environment forecasts.

6. Legislation should be strengthened for our land. The state will draft and proclaim various statutes concerning the preservation of land, water, pastures, mineral resources and water and soil. All provinces, municipalities and autonomous regions should also work out detailed regulations for implementation in their own regions on the basis of the national statutes already proclaimed. If these national statutes cannot be worked out right away, some provisional rules in this direction should be drawn up.

7. Land survey work should be carefully attended to. First, we should provide reliable data, obtained from the survey, for the development of agriculture, energy and communications. At the same time, we should supply maps for town planning and other purposes including the development of various economic and social undertakings. In 5 years, we expect to accomplish the following tasks: 50,000 points in adjusting the nationwide astrogeodetic net; 70,000 kilometers of precision survey; 700,000 square kilometers in gravity survey; 1:10,000 topomaps for 900,000 square kilometers; 1:25,000 and 1:50,000 topomaps for 1 million square kilometers; 20,000 large-scale maps for engineering use; the compilation and publication of 1:1 million topomaps of China and the world, and ordinary national atlases. The varieties of maps published for the public will be increased from 200 to 250.

Part Four: Plan for Development of Scientific Research and Education

Chapter 25: Science and Technology

Science and technology are the key to the four modernizations since economic and social development must fully rely on scientific and technological progress. However, modernized economy is the foundation of scientific and technological development, and science and technology must serve economic and social development. During the Sixth Five-Year Plan period, prime importance must be attached to the study of the crucial scientific and technological topics which can help produce important economic results in our national economy. We must energetically popularize the results of seasoned scientific and technological research, carefully assimilate the imported technologies, and actively organize the scientific and technological forces to tackle the key problems. We must also stress the need to develop applied research and creative research and at the same time strengthen basic research. After 5 years of hard work, we should be able to narrow the gap between our scientific and technological level and the advanced level of other countries in some important and urgently needed fields so as to change the outlook for production technology to a certain extent in some major sectors of the national economy and lay a needed scientific and technological foundation for long-term development in the Seventh Five-Year Plan and the period after it.

Section One: Popularization of Scientific and Technical Results

During the Sixth Five-Year Plan period, we should strive to apply the results of scientific and technological research in laboratories to production, apply those gained in the national defense industry to production for both defense and civilian purposes, and apply those gained in the coastal areas to production in the hinterland, as well as assimilate foreign experience for use in China so that the results of science and technology can be given full play in economic development. In the 5 years, we will popularize 40 major scientific and technological results as our main concern.

1. Techniques for increasing agricultural output and for processing, storing and freshness-preservation of farm produce. The main tasks are as follows:

We will popularize the use of improved varieties of agricultural crops, improved breeds of animals and fowl, and improved varieties of maritime products. In north China and the central plain, we will popularize the planting of good and fast-growing saplings, the technique of using polyethylene sheets for planting and the use of highly effective compound fertilizers and new pesticides with high efficiency and low poisonous residue in agriculture. We will also popularize the use of silastic air windows for fruits, radiation in vegetables and meat, highly effective chemical agents to prevent rotting, and storage and freshness-preservation techniques for eggs.

2. New products and new technology in light and textile industries. In light industry, the main measures are to popularize the new technique of continuous soaking in sugar production; the method of filtering with flocculent sediments and that of fluidization in the long-net papermaking machines; the use of double-reeled silk, high-pressure sodium lamps and other highly effective light sources for energy conservation; and the techniques of vacuum plating, ion plating, spraying paint with electrostatic force, and surface decoration and processing of various new types of paints. In the textile industry, the main tasks are to popularize self-twist yarn, air-flow spinning and new equipment and techniques for dyeing and finishing fabrics.

3. Energy conservation and exploitation technology. The main task is to popularize the new refractory fibers and heat preservation and insulation materials. We will also popularize the techniques of using marsh gas energy and solar energy, the technique of exposed bolting and shotcrest in tunnels, the techniques of all-round mechanized coal mining and of coal mining in thin layers of coal deposits, new equipment for drilling in oilfields, and the technique of transporting crude oil in its concentrated form without raising its temperature.

4. New technology in engineering and electronics industries. The main task is to popularize the advanced engineering basic parts such as hydraulic, pneumatic and sealing parts, low-voltage electrical appliances and gears; the new series of air blowers, pumps, boilers, electric motors and other high-efficiency energy-saving mechanical and electrical products. Other new techniques and technologies of controlled atmosphere, nitrogenous softening, and polybasic coprecipitation will be popularized.

5. Raw materials and engineering technology. The main task is to popularize the new types of tungsten and molybdenum of the high-speed steel series, to enlarge the application of rare-earth elements in alloy steel and other new types of materials, popularize the technique of vacuum aluminum-plating, the use of compound materials containing silver, silver coating in thermos-bottles, and other techniques in economizing on the use of precious metals through the use of substitutes.

6. Chemical and pharmaceutical industrial techniques. The main task is to popularize the use of organic silicon, organic fluorite, polyvinyl chloride in solid form, engineering plastic products, and safe and dependable contraceptives having long-lasting effects and few side effects.

7. Techniques in transport and post and telecommunications. The main task is to popularize the technique of integrated barge-pusher transportation, loop-carriers and new techniques for making local phone calls.

All departments, localities and enterprises should, while focussing their efforts on reducing the consumption of energy and raw materials, increase the variety and improve the quality of their products, raise labor productivity and actively apply new scientific and technological results. Necessary policies should be adopted with regard to product prices and interests on loans to encourage and support the popularization and utilization of new scientific and technological findings.

Section Two: Scaling New Heights in Science and Technology

During the Sixth Five-Year Plan period, we will organize level-by-level efforts to solve difficult problems in science and technology and strive to make breakthroughs in major technical problems in production and construction in light of the requirements of economic and social development. In these 5 years, efforts will be made to solve scientific and technological problems in the development of society. The state will pay particular attention to scientific and technological projects in the following eight fields:

1. Agrotechniques. The main task is to select a number of improved varieties of paddy rice, wheat, maize, soybeans, cotton, sugar-bearing crops; superior breeds of pigs with lean meat, sheep with fine wool, chickens for laying eggs and fresh-water fish; and fast-growing saplings, in order to form and perfect a system of breeding. The Huang He-Huai He-Hai He plains, the San Jiang plain and the Tai Hu area should be brought under comprehensive control, and techniques for increasing output should be provided to the farming areas. We will also study the techniques for the comprehensive utilization of the existing fodder resources in coordination with the industrialization of fodder production. Pesticides having high efficiency and low poisonous residue will be developed and research will be conducted on how to prevent pests from damaging the agricultural crops and the forests. We will also develop techniques to extract potassium from the salt lake in Qinghai, to select mineral ores for cellophane and to produce highly effective compound fertilizers. We will also carry out advance study and technical appraisal of the project to transfer water from the south to the north.

2. Techniques for the food industry, light and textile industries. The main task is to develop techniques for the storage, freshness-preservation and processing of foodstuffs; techniques for storing pig skin and leather processing; techniques and technologies for producing hard plasticware, plastic film for surface decoration and packaging materials. Research will also be conducted on new techniques and new equipment for the mass production of chemical fibers, for printing and dyeing knitted goods and for finishing with machinery and chemical treatment.

3. Techniques for energy development and conservation. The main task is to study the technique to increase the speed in building coal mines and the rate of coal recovery; the technique of coal mining under structures, riverbeds and

railway tracks as well as under the threat from the flow of Ordovician limestone; and the technique to transport coal by pipeline over long distances. We will also study the techniques of oil extraction from oilfields when the water content is high, of the extraction of thick oil, of drilling wells with the best parameter, and of transporting crude oil at a constant temperature. For hydro-power stations, we will study the techniques of building tall earth-stone dams, of expediting underground engineering work, and of manufacturing large generating units for high waterhead. For nuclear power plants, we will study the key techniques including the technique for manufacturing complete sets of equipment as well as the necessary safety measures and the new technique of converting over to coal burning.

4. Techniques for the development of geology and raw materials. The main task is to study the carbonatite region in the sea facies of the south, the law of petroleum and natural gas formation in the Rias basin in north China, and the techniques of assessing and prospecting for these resources. We will also study the techniques for exploiting wall materials which are light, strong and multifunctional; of making glass with the floating method, and of cement production with rotary kilns having a precalcinator. Attention will be paid to the comprehensive exploitation and utilization of the three large associated mines in Panzhihua, Jinzhuan and Baotou, and to the study of techniques for intensive processing and comprehensive utilization in the petrochemical industry.

5. Machine-building and electronics technology. The main task is to step up the technical exploitation of important basic components, basic technologies and basic materials. We will trial produce 600,000 kw thermal power generating sets, ultrahigh voltage alternating current equipment for power transmission and transformation, 100,000-volt direct current power transmission equipment, 2,050 millimeter continuous rolling equipment, offshore oil exploitation equipment, and the equipment for industrialized production of large integrated circuits and the related materials, as well as the production of large computers and their essential external parts. We will also step up our study of the use of software and technologies for computers and their networks.

6. Transportation and communications technology. The main task is to trial produce high horsepower locomotives for heavy-duty trains, and heavy-duty cars along with the introduction of new braking and signaling systems. In harbor construction, we must study techniques to strengthen weak foundations and to handle the loading and unloading of container cargoes and bulk cargoes.

7. Newly emerging technologies. The main task is to study the techniques for optical fiber communications, remote sensing, lasers, superconductors, isotope and irradiation as well as genetic engineering.

8. Other technologies. The main task is to trial produce new types of contraceptives, to study the prevention of malignant hepatitis and cancer, and to conduct research on ways to protect the environment and to control pollution in the Beijing-Tianjin area and the Huangpu Jiang. We will also conduct research into the technology of assessing the water resources in north China and of exploiting and utilizing them.

Approximately three-fourths of these scientific and technological projects are major construction projects of technological transformation projects aimed at solving problems concerning key equipment and technology during the periods of the Sixth and Seventh Five-Year Plans, and a considerable portion of them are expected to yield tangible results during these 5 years. They will be applied in production and can effectively boost economic and social development. All departments and localities can select their own projects according to their own needs for production and construction and set their own goals for scientific and technological research.

Section Three: Research Into Basic Science

During the Sixth Five-Year Plan, we will strengthen research into basic science theories so as to meet the needs of the state in solving key scientific and technological problems, while great importance should be attached to the study of major theories in mathematics, physics, chemistry, biology, earth science and astronomy, which will pave the way for the long-term development of the national economy.

During the Sixth Five-Year Plan and the subsequent periods, research into basic science will center around the following fields:

1. The problem of inversion in mathematics, the important mathematical problems in the national economy, the theory of optimal policy decisions, and the problems of information processing and mathematical theories in the use of computers.
2. Surface physics and interfacial physics in solid-state physics, noncrystalline physics, crystal physics and solid energy spectrum.
3. The study of typical metal materials, high molecular materials, structural ceramic materials, the mechanical properties of certain compound materials in material physics, and of the mechanism of fracturing and engineering mechanics; and some pioneer work in new mechanics experimental technology.
4. Basic research into molecular-sieve catalyst, rare-earth catalyst and other new catalysts, and other natural organic and constituent organic chemistry.
5. The proliferation, differentiation and the regulation and control of cells in cellular biology; the mechanism of changes in cancer cells and biological membranes; genetics in molecular biology, the structure, functions and synthesis of large molecules in biology; the associated system of nitrogen-fixing nodule bacteria in the bean family, the genetics of diazotroph, the core structure of activated nitrogenase, and the chemical simulation of diazotroph.
6. Structural strength and the mechanism of friction, vibration, impact and noise and other basic engineering theories; theories of modern design for engineering products; basic theories of metal corrosion and techniques for its prevention, and systems engineering for the overall protection of large industrial installations.

7. The basic study of mass transfer, segregation and reaction engineering, and the study of the basic law governing the process of production and the equipment for the chemical industry.

8. Modern control theories and modern control systems engineering; and the study of the theories and methods of artificial intelligence.

9. The study of engineering thermal physics, and of the basic theories of the process of energy transformation and transmission in thermodynamic machinery and equipment.

10. The study of the structures of the earth's crust and mantle in the Pacific Ocean near our country and their evolution; the laws of mineral formation and earthquakes; the formation of the Xizang Plateau, its evolution and the law of the distribution of major mineral resources.

Section Four: Measures for Developing Science and Technology

To complete the tasks for the development of science and technology according to the plan, we must do our work well in the following five fields.

1. Improve and implement the major technical and economic policies.

The departments concerned must arrange to implement those important national technical and economic policies already formulated concerning agriculture, energy development and conservation, machinery and equipment, transportation and communications, multipurpose utilization of natural resources as well as environmental protection. If these policies have not yet been formulated, then they should study and draft them as soon as possible. All trades and professions should formulate their own technical and economic policies, while the State Scientific and Technological Commission and the relevant departments should draft corresponding statutes to supervise and ensure the implementation of these technical and economic policies.

2. Reorganization of the scientific research institutes and reform of the scientific research system.

During the Sixth Five-Year Plan period, independent scientific research institutes generally will not be set up except for some experimental centers and bases and demonstration centers for industry and agriculture. In accordance with the principle of comprehensive arrangement, strengthening the key points and a rational layout, necessary adjustment and reorganization will be carried out among the existing scientific research institutes. Scientific research institutes of all types and at all levels must have their work distinctly divided so as to avoid unnecessary duplication. Research in application and development should gradually undergo socialization.

In doing so, we should accelerate the development of new techniques and establish technological development centers for the energy industry and for consumer goods production. These centers can be organized by one department, and others can be formed across departmental boundaries. Large specialized companies and key

enterprises, after approval from the State Council or the relevant departments, can also set up technological development centers of their own, mainly to serve themselves in research in applied technology and the development of new technologies, new techniques, new materials and new products. The scientific research forces of the Chinese Academy of Sciences and other institutes of higher learning should also strengthen their research into application and development while undertaking basic research, and offer their important technical services having great economic benefit to production and construction. Those scientific and technological personnel who have made important contributions in the development of new technologies and new products should be spiritually encouraged and materially rewarded. The State Scientific and Technological Commission and the departments concerned will establish a concrete system of evaluation and rewards.

During the Sixth Five-Year Plan period, experiments in enlarging the decision-making power of the scientific research units will be continued. Provided the tasks assigned by the state have been completed, these units will have the right to accept any research or trial production task entrusted to them by the relevant departments or to offer their services in consultation. In order to integrate science and technology with economic and social development more closely, these units should actively try out various methods to combine scientific research and production into an organic whole or coordinated process and implement the system of compensatory transfer of scientific research achievements.

3. Strengthen the organization and management of the scientific and technological contingents.

During the Sixth Five-Year Plan period, we must train our scientific and technological personnel in different forms so as to cultivate more high- and middle-grade qualified personnel. The scientists and technicians of various scientific research institutes, institutes of higher learning, and civilian and defense departments should be organized and appropriate division of work should be carried out. They should actively help solve the key problems in major research projects, carry out technical transformation for the key enterprises and trades, participate in the preparatory work of survey and designing key projects and in working out technical, economic and social development programs. We must call on and encourage the scientific and technological personnel to work in small and medium-size towns and enterprises, in collective enterprises and in the technically backward frontier and remote regions. The departments concerned should work out specific programs for the exchange, regulation, employment and concurrent posts for these personnel.

4. Improve the facilities and working conditions for scientific research.

The funds needed for the key projects to be undertaken and popularized as decided on by the state should be included, depending on their specific purposes, in the plans for science and technology development, technological transformation, capital construction and credit funds. Funds must be made available for specific projects, and the supply of necessary materials must be guaranteed. A number of plants that are comparatively better equipped and

staffed with technical personnel will be designated to produce, or trial produce, large precision instruments and chemical reagents. Priority in the use of foreign exchange will be given to the importation of those items that the country needs but cannot produce at home. A number of public analysis and forecasting centers, calculation centers and information centers should be systematically and selectively set up in certain provinces, municipalities and autonomous regions to serve the scientific research and production departments in a technical capacity. The present large precision instruments and electronic computers should be well maintained and well used so that their roles can be given full play. We should continue to implement and improve the contract system in the control of scientific research funds. We should introduce, collect, streamline, duplicate and report on scientific and technological documentary data in a planned way, increase the exchange of information, and gradually form a science and technology information network conforming to the development of science and technology in our country.

5. Actively popularize scientific and technological knowledge.

The scientific research institutes, institutes of higher learning, and the research workers, technicians and instructors of the plants, mines and enterprises should be mobilized and organized to popularize science and technology in various effective ways in the urban and rural areas so as to raise the scientific and technological levels of the broad masses of cadres, workers and peasants and to promote mass activities in technical innovation. We must pay particular attention to the education of the young people regarding popular science and encourage them to study and take an interest in science.

Chapter 26: Philosophy and Social Sciences

During the Sixth Five-Year Plan period, we will develop philosophy and social sciences appropriately. We must further organize all philosophy and social science research forces to strengthen the study of Marxist theory, of Chinese and foreign history and current events, and of all fields of social sciences. We should especially strengthen research on those important theoretical and practical problems of our socialist modernization which urgently need solution, and apply the creative results of these studies and research to serving the construction of a culturally advanced, highly democratic socialist country, and to creating a new situation in all fields of socialist modernization.

In these studies and research, we will continue to be guided by Marxism-Leninism-Mao Zedong Thought, and carry out the policies of integrating theory with practice and of "letting a hundred flowers bloom and a hundred schools of thought contend." We should promote a fine style of study characterized by seeking truth from facts, daring to explore and create, upholding truth and correcting errors. We should actively participate in national and international debates and struggles on important issues of ideology and theory.

During the Sixth Five-Year Plan, the main themes of research in philosophy and social sciences will fall under the following 12 categories:

1. Studies of basic Marxist theory and philosophy. The main subjects are: the contemporary development of Marxism, Mao Zedong Thought, the relationship between spiritual civilization and material civilization, communist ideology and socialist spiritual civilization, international communist movement, scientific socialism, materialism, dialectics, class struggle in the socialist age, moral questions, history of Chinese ethics, questions of logic, history of Chinese logic, questions of aesthetics, history of Chinese aesthetics, the question of philosophy in natural sciences, history of the development of Marxist philosophy, history of Chinese philosophy, history of Western philosophy, and schools of modern Western philosophy.
2. Studies of economics and practical economic problems. The main subjects are: political economy (socialist section), strategy for our economic development, economic structure, economic restructuring, socialist planned management, socialist statistics, operation and management of enterprises, socialist development of the rural economy, commodity circulation at the socialist stage, markets and prices, finance, banking and credit, labor and wages, econometrics and economies of technology, construction of energy bases and economic appraisal of energy policies, economics of transportation and communications, capital construction economics, economics of mountainous, herding, lake and ocean areas, economics of fishery, economics of ecology, special economic zones, urban economy, socialist and other economies compared, world economic theories, world economic history, capitalist economic crises, capitalist national monopoly, and problems of transnational companies.
3. Studies of political science and law. The main subjects are: socialist political system, socialist democracy, building the party in power during the socialist period, government systems compared, contemporary Western political thought and theories, constitution, criminal law, civil law, economic law, environmental law, international law, basic theories of socialist law, and history of the revolution of the Chinese legal system.
4. Studies of sociology. The main subjects are: social survey of cities, towns and the countryside, family and marriage problems, problems of population, theories and methods of sociology, problems of juvenile delinquency, and problems of employment for young people.
5. Studies of nationality issues. The main subjects are: Marxist theories on nationality issues, Chinese socialist nationality relations, nationality regional autonomy, problems of economic development of minority nationalities, the history of minority nationalities, three social modes among minority nationalities, and language, literature and art of minority nationalities.
6. Studies of literature and art. The main subjects are: Marxist theories on literature and art, Mao Zedong Thought on literature and art, the question of such literary and art theories as humanism, humanity, alienation, and realism, questions of nationalism in literature and art, Chinese modern and contemporary literature and art, Lu Xun and other famous Chinese authors,

history of Chinese literature, history of Chinese fine arts, theory and history of Chinese drama and song, theory and history of Chinese folk dance, theory and history of Chinese music, history of foreign literature, comparative literature, and schools of modern Western bourgeois literature and art.

7. Studies of linguistics. The main subjects are: modern Han language grammar, history of the Han language, and dialects of the Han language.

8. Studies of history. The main subjects are: Marxist theory of history, contemporary China, history of changes and developments in Chinese frontier areas, history of Chinese resistance against Japanese aggression, history of imperialist aggression against China, history of Chinese new democratic revolution, history of the Chinese Communist Party, history of the Republic of China, contemporary history of China, modern history, history of the Qing Dynasty, economic forms in Chinese feudal society, history of Chinese economics, history of Chinese ideology and culture, local history and local chronicles, history of overseas Chinese, China's historical maps, archaeology of the late old stone age and early new stone age in China, investigation of culture in the Xia Dynasty and study of culture in the early Shang Dynasty, culture in the Yin and Zhou dynasties, prospecting and excavation of ancient cities and the origin and development of Chinese cities, ancient culture in frontier regions, history of Chinese relations with foreign countries, general history of China, history of the countries around China, and general world history.

9. Studies of education issues. The main subjects are: Marxist theory of education, China's educational system and its restructuring, socialist education policy, political, ideological and moral education (including education in communism for young people), educational psychology, and history of education.

10. Studies of religious issues. The main subjects are: Marxist theory on religious issues, history of Buddhism in China, religious issues in the socialist period, history of Daoism in China, history of Christianity, history of Islam.

11. Studies of international issues. The main subjects are: the international situation and antihegemonism in the 1980's and the strategy of defending world peace, the trend of modern world economic development and its effects on our country, relations between our country and other countries of different categories, developing countries' strategy of economic development and their relations with developed countries (including south-south and south-north relations), the political and economic systems of the Soviet Union and the Eastern European countries.

12. Compiling philosophy and social sciences textbooks, the "Complete Encyclopedia of China" and various philosophy and social sciences dictionaries and reference books, and collating ancient works and historical archives.

In addition, we should also strengthen studies in military science, journalism, library science, archive studies, human geography, social psychology and so forth.

In 5 years, we will strive for significant progress in our research program, prepare monographic works or research reports on some topics and achieve success in certain phases of other topics so as to lay the foundation for subsequent intensive research.

During the Sixth Five-Year Plan period, social science research institutes should undergo suitable readjustment, add missing courses and strengthen the weak ones. We must gradually set up some essential facilities for scientific research and for gathering reference materials.

Chapter 27: Elementary and Secondary Education

Universal education is an important premise for developing material and spiritual civilization. During the Sixth Five-Year Plan period, we must actively develop preschool education, reinforce and strengthen elementary education, consolidate and raise the level of junior middle school education, reorganize and reform senior secondary school education, make great efforts to develop professional and technical education, and actively wipe out illiteracy in order to establish a good foundation for raising the scientific and cultural level of all the people.

1. Preschool education.

All government offices, mass organizations, enterprises, public agencies, neighborhoods and rural communes and production brigades should run kindergartens so that more preschool age children can receive suitable education. By 1985, the number of children enrolled in kindergartens will increase from the 1980 figure of 11.51 million to 18 million. The education departments in all localities should conscientiously run exemplary kindergartens and actively train kindergarten teachers.

2. Elementary education.

Elementary education is the foundation of education as a whole. By 1985, we must strive to make elementary education universal or basically universal in most counties throughout the country. All other areas should actively create conditions for enrolling many more school-age children in school. According to the plan, by 1985, the number of pupils enrolled in the nation's elementary schools will reach 130 million. All provinces, municipalities and autonomous regions should adopt effective measures and strive hard to raise the rate of school-age children entering schools, especially the rate of pupils remaining in schools, in the countryside, and the remote border areas and the regions where minority nationalities live in compact communities, so that most school-age children can fruitfully spend their school years and attain a suitable cultural level. Education for blind and deaf-mute children should also be stepped up. Prefectures and municipalities still not having such schools should set them up. The large and medium-size cities should adopt special measures for educating retarded children.

3. Secondary education

The junior middle schools should adopt different development policies according to local conditions. Some areas may stress better quality, while others may increase their enrollment on the basis of guaranteed quality. Before 1985, cities should attain universal junior secondary school education.

Senior secondary schools should actively reform their internal structure, pursue steady development, and improve quality. During the Sixth Five-Year Plan period, in those cities where ordinary senior secondary schools are more than vocational schools, some of the ordinary schools will be converted into vocational schools, or vocational classes of various types will be held in ordinary senior secondary schools. We will create the necessary conditions to convert some rural ordinary secondary schools into agricultural secondary schools. At the same time, all trades and professions will be mobilized to run various types of vocational schools. By 1985, the number of students entering ordinary senior secondary schools throughout the country will be about 2.8 million, 1 million less than in 1980; and those entering vocational and agricultural secondary schools will number 1.4 million, or 1.16 million more than in 1980. Vocational secondary schools or agricultural secondary schools will be run by the education departments or jointly by the education departments and the departments in charge of the work or the enterprises. There will be a dual system of leadership with the education departments in the leading position. The state will not be responsible for assigning jobs to the graduates from city vocational secondary schools. With the recommendation of the labor personnel departments, the state-owned units and collective units can make their own choices regarding employment according to their own requirements. The graduates may also form organizations on their own initiative to run a collective economy. They can also start businesses on their own.

Technical workers' school authorities should readjust their special curricula, train different types of workers and raise the quality of training. Those schools which do not recruit enough regular students should take on the task of training in-service workers. Some can train youths who are waiting for jobs but are not responsible for assigning jobs upon their graduation.

During the Sixth Five-Year Plan period, the number of students of various types of secondary schools is as follows:

	1980 (10,000)	1985 (10,000)	Difference between 1980 and 1985
Ordinary senior middle school	969.8	750	-22.7%
Technical middle school	68	78	+14.7%
Vocational middle school	13.4	87	+ 5.5 fold
Agricultural middle school	32	228	+ 6.1 fold
Junior middle school	4,538.3	5,000	+10.2%

Governments at all levels should attach great importance to the development of secondary and elementary education among the minority nationalities. In the minority nationality regions or the regions where people are widely scattered and economy and culture are backward, the governments should open some minority nationality elementary or secondary schools with student dormitories. The education departments should cultivate and train teachers from minority nationality areas, particularly people of the same nationality.

To implement the plan for the development of elementary and secondary education, we should carefully attend to the following tasks during the Sixth Five-Year Plan period:

(1) Arouse enthusiasm to promote education in various quarters. Apart from the increase in educational funds by the central authorities, some funds should be allocated by the local authorities for developing elementary and secondary education. The rural communes and production brigades, urban enterprises and public agencies should actively raise funds to open elementary and secondary schools. The work-study program should be appropriately organized among secondary school students and students in higher grades so as to strengthen their concept of labor and to improve the conditions of running schools.

(2) Proceed from realities and adopt different forms in running schools. In our country, economic and cultural development is uneven, and in running schools, each locality should adopt measures suitable for local conditions. In the broad countryside, while running full-time schools efficiently, other forms, such as half-day schools, mobile schools morning schools, evening schools and so forth, should be adopted so as to provide greater educational opportunities for children.

(3) Greatly improve the teachers' competence and appropriately streamline the teachers contingent. Teachers training colleges should be carefully run in order to train more qualified teachers. For the present elementary and secondary school teachers, we should take full advantage of the schools for

teachers' advanced study or run short-term training courses in an effort to conduct a rotational training program for all teachers. At the same time, some young elementary school teachers should be selected for short-course training in order to strengthen the ranks of teachers for children, while a number of secondary school teachers should be selected and transferred to support the workers in education.

(4) Carefully compile teaching materials to be supplied. The education departments should draft plans as guidance to teaching and an outline of these plans, and organize the compilation and publication of popular teaching materials to be selected by various localities for reference. They should also collaborate with the publishing and distributing departments for the supply of textbooks. At the same time, in accordance with the program to change the school terms in elementary and secondary schools, they should organize forces to proceed with the compilation of new textbooks. They should also compile teaching materials for various types of vocational secondary schools as required for the development of vocational education.

While strengthening elementary and secondary education for school-age children and for young people, we should also carefully attend to the same types of education for the peasants and workers and actively proceed to eliminate illiteracy among able-bodied youths. In the countryside, we will run literacy classes, night schools, winter schools and various other forms of schools according to the special requirements of agricultural production, and organize the peasants to get an education and to learn science in order to raise their cultural level and increase their knowledge of science. In the cities and towns, we should give a second opportunity to the workers and cadres, whose cultural level is low, to learn about culture and technology.

Chapter 28: Higher and Technical Secondary Education

During the Sixth Five-Year Plan period, we should conscientiously attend to the work of readjusting, consolidating and restructuring among the higher and technical secondary schools, strive to improve the quality of higher education and actively and steadily enlarge the scope of training. We should also energetically develop various forms of adult higher and technical secondary education in order to cultivate more qualified people to meet the requirements of the four modernizations drive.

Section One: Ordinary Institutions of Higher Education

1. University undergraduate departments and specialized colleges.

During the Sixth Five-Year Plan period, priority should be given to the reorganization and consolidation of the present 700 and more ordinary institutions of higher education so as to improve the quality of education and give full play to their latent resources so that they can undertake more training tasks. At the same time, some new schools should be added so as to strengthen and enlarge the

contingent of professionals urgently needed by the state. In 1985, the country will have 400,000 undergraduate and specialized college students, a 42.4 percent increase over the 280,000 in 1980. The total number of students enrolled will reach 1.3 million, an increase of 13.6 percent over the 1,144,000 students enrolled in 1980. In the 5 years of the plan, the institutions of higher education will turn out 1.5 million graduates.

To implement this plan, we should carefully attend to our work in the following fields:

(1) We should effectively improve and efficiently estimate the needs for specialized personnel in our training plans.

The State Planning Commission and the Ministry of Education, in collaboration with various departments will conduct investigations and study and, in accordance with the long-range goals of the modernization drive, work out 10-year and 20-year training plans for estimating the needs for specialized personnel before 1985.

(2) We will readjust the structure of specialized disciplines and the planning and contents of specialties.

First, we will increase the proportion of 2- or 3-years specialized colleges among the institutions of higher education. At present, the proportion of specialized colleges is low. During the Sixth Five-Year Plan period, generally, the present specialized colleges will not be changed to any other type of college. At the same time, where conditions permit, we should, with the aid of the teachers, scientific and technological personnel and equipment of the present schools, scientific research institutes and large plants, mines and enterprises, establish on an experimental basis specialized colleges and short-term vocational colleges which will be run at low cost, achieve quick results, charge nominal fees, accept just day students as far as possible and where graduates will be selected for employment according to their merits.

Second, we will appropriately enlarge the scope of specialized training that is urgently needed, and reduce the number of new students in the special courses in which more personnel have been trained than are actually needed. Our main task is to increase the enrollment for such specialized subjects as finance and economics, management, law, light industry, textile industry, civil engineering and all-purpose machinery' to reduce the enrollment for those specialties in which excessive personnel have been trained; and to convert some defense industry colleges into civilian and popular specialized colleges. During readjustment, we must conduct concrete analyses, consider the needs for present and future developments, and pay attention to the rational geographical distribution of specialized schools. For those specialized schools which are not very necessary to the state, the enrollment should be reduced and some of these schools may be merged or closed. Those which are not badly needed now but will be needed in future will be preserved, although their enrollment must be suitably reduced.

Third, we will compile a catalogue of the special subjects with standard names. At present, the special courses of some colleges are classified in excessive detail and the subject content too narrowly, [defined]. The tendency to overly neglect general purpose specialties, traditional engineering and technical specialties, and economic management specialties should be changed gradually. In accordance with the needs of economic and cultural construction, the trends in scientific and technological development, and the objective conditions of our colleges, we must appropriately merge and consolidate the existing specialties and broaden the scope of specialized training so as to increase the students' adaptability to work after graduation. On this basis, we should clearly stipulate the substance of specialized training and compile a unified national specialties catalogue.

(3) We should carefully carry out the "five fixes" by groups and by stages.

The "five fixes" means fixed tasks, fixed specialties, fixed school terms, fixed scopes and fixed organizations. Implementing the "five fixes" is an important measure for carrying out readjusting and strengthening the management of institutions of higher education. We must conduct careful experiments, sum up our experiences, and proceed with our work by groups and by stages. Among the "five fixes," we must pay special attention to the work of organization according to the principle to be "better and simpler," greatly reduce the number of structures, levels and personnel, and change the irrational situation of excessive personnel, especially the excessive number of nonteaching personnel, and the disproportion between teachers and students. The system of teaching workload should be improved, and the surplus teaching staff should be transferred to strengthen the ranks of teachers in television universities, workers' universities, peasants' universities, correspondence universities, and evening universities, or to support the enterprises.

(4) We should strengthen the construction and management of teaching and laboratory facilities.

During the Sixth Five-Year Plan period, the state will provide a special fund of 700 million yuan for the construction of advanced teaching and laboratory facilities at a group of key colleges and universities. It also plans to set up, or expand, a number of experimental centers, including computer science centers, analysis and forecasting centers, electronics experimental centers, mechanics experimental centers, and biochemistry experimental centers. There will also be experimental centers for acoustics, precision optical and electrical machinery, precision instruments, ocean engineering, shipbuilding technology, electrical power engineering, thermal energy utilization, metal and insulation materials and chemical engineering, environmental science, modern teaching techniques, and so forth. All schools should make every effort to increase their utilization of the classrooms, laboratories, libraries, and reading rooms, and take better care of the upkeep and management of their instruments and equipment. The precious instruments, equipment and books should be under the special control of one school and used by many schools under a rational system of service fees. Educational funds should be first used for the purchase of instruments and equipment, books, reference materials and other educational facilities.

(5) We should study the reform of the system of enrollment, admission and job assignment.

2. Graduate students

According to the plan, 20,000 graduate students will be recruited nationwide in 1985, a 4.5-fold increase over the 3,600 in 1980. The total number of graduate students will reach 50,000, an increase of 28,400 over the 21,600 in 1980. In these 5 years, a total of 45,000 graduate students will finish their studies. The system for recruiting graduate students will undergo necessary reform. While continuing to admit college graduates of the current year, we should steadily raise the proportion of college graduates who have worked for 2 years and workers and staff members with comparable educational background. The running of specialized courses for graduate students must be consistent with requirements for national economic development and with the needs of the units employing them. Planning and education departments must work out recruiting and training programs jointly with the colleges, scientific research institutes and the units in which these people will be employed. Graduate schools should be established on a trial basis.

3. Students studying abroad.

During the Sixth Five-Year Plan period, the number of students studying abroad will increase along with our economic, technical and cultural exchanges with foreign countries. Within these 5 years, efforts will be made to send 15,000 persons abroad, an average of 3,000 persons per year. Within this period, 11,000 persons will complete their studies abroad and return home. Students sent abroad will major primarily in such specialties as natural sciences and engineering technology, with particular stress on those fields and areas in which China is rather backward and which it has to further explore. At the same time, certain numbers of persons should be sent abroad to survey and study political science, economics, law, education and foreign languages. These students must have been strictly tested in political ideas, scholastic achievements, foreign languages, and physical fitness. They must be carefully chosen so that their qualification can be assured. More graduate than undergraduate students should be sent abroad.

Section Two: Specialized Secondary Schools

According to the plan, technical secondary schools will admit 500,000 students in 1985, with total enrollments of 1.25 million students. Within these 5 years, 2.3 million students will graduate from technical secondary schools.

The running of specialized courses must be based on the requirements of economic and social development and necessary readjustments must be made. Among the various disciplines, we will stress appropriate increases in the number of students recruited to specialize in finance and economics, political science and law, management, light and textile industries and construction. For teacher training, we will add in a planned way training classes for kindergarten teachers so as to strengthen preschool education.

Suitable reforms will be carried out in dormitory facilities, schooling subsidies, enrollment and job assignment after graduation.

Section Three: Adult Higher and Technical Secondary Education

Adult education must proceed from the realities of economic development as well as the need to meet the quest for knowledge by the broad masses. In view of the large number of people in need of this type of education and their diversified cultural backgrounds, we should adopt different forms of schooling with different educational contents. We should also stress the quality of education in order to produce real results.

1. Training of cadres by groups and by stages should be conducted in a regular and systematic way. Government cadres should be released from work to study for 6 months once every 3 years. They should mainly study Marxist philosophy, political economy, scientific socialism, history of contemporary China and history of the Chinese revolution, culture, and other basic vocational subjects such as economics, management and law. We should gradually develop specialized cadre training classes in the institutions of higher learning to train the middle-aged and young leadership core. In 1985, the number of newly enrolled students in specialized higher education cadre training classes will reach 15,000.

2. Workers should be trained by groups and by stages.

In 5 years, those workers who have a secondary educational level will be organized to study politics, culture, and technical theory so that a portion will achieve a higher level than that of graduates of specialized secondary schools. Managerial personnel will be organized to study administration and management and specialized technical knowledge so that they will gradually become experts in economic work. Directors of large and medium-size factories must basically attain the standards stipulated in the "Provincial Regulations for Directors of State-Owned Factories." In other words, they must have a better command of the cultural and scientific knowledge of a secondary school graduate, be familiar with the production and operations of the type of enterprise in which they are engaged, understand the relevant economic laws and regulations and be competent in administration and management. Engineering and technical personnel should be organized and encouraged to continue their studies, to continually keep abreast of both domestic and foreign advanced science and technology and to enrich their professional knowledge.

3. We will develop radio and television universities, correspondence universities, night universities, workers' universities and peasants' universities and promote and encourage self-study.

Radio and television universities and correspondence universities are forms of education which call for little investment, produce great results, and suitable for all types of people to widely participate in study. They should be fairly greatly developed during the Sixth Five-Year Plan period. While continuing to teach the present subjects, the radio and television universities should increase some other specialized subjects such as finance and economics, law and liberal arts that are urgently needed in society. Along with the improvement

in the means of broadcasting and the prolonged hours of operation, the radio and television universities should enroll more young people in society in addition to workers and teachers of elementary and secondary schools. Higher level correspondence education should take full advantage of, and extensively develop the potential of, the present teachers of institutions of higher education. If conditions permit, the localities and departments should actively run and independently set up correspondence universities.

Institutions of higher education in large and medium-size cities should actively run night universities according to local needs and where conditions for schools exist.

The running of sparetime universities for workers and peasants, who are divorced or semidivorced from production, should mainly depend on the trades, departments and localities themselves. The procedures of application for approval on running schools and the system of examination must be strictly enforced so as to ensure adequate teaching quality.

According to the plan, the number of students studying in various forms of adult higher level schools should reach 1.5 million in 1985.

Self-study is also one way to produce talented people for national construction. The scope of examination for self-study in higher education should be actively enlarged in various areas. All regions and departments concerned and the mass organizations should provide the necessary facilities for students engaged in self-study in order to help them solve some real problems.

Students in these types of universities and the students engaged in self-study should pass a national unified graduation test, and the educational level of those who have passed this test will be duly recognized. Those who are originally young graduates in society will not be assigned jobs under the national unified plan. They will be recommended by the labor personnel departments to their prospective employers for selection and employment.

To accomplish the plan for adult education, the following measures will be adopted:

(1) We will provide more active leadership and facilities for running schools. All areas and departments should establish schools of different levels or training centers for adult education under unified arrangements with distinctive division of work, rational overall arrangement and simple and improvised means. Joint operation of schools by trades and by areas should be initiated, and full use should be made of those enterprises--which have been closed, suspended, merged or retooled, and operating under capacity--as school premises. These students should be given active support.

(2) We should study and formulate various policies to arouse the enthusiasm of cadres, workers and peasants for studying. It must be clearly stipulated that cadres and workers must have the required education and the vocational and technical levels. Files should be kept of the results of studies to be used for reference, and as important data for selection, employment, promotion and wage adjustments.

(3) The ranks of teachers in adult education should be consolidated and strengthened. In addition to those trained in a planned way in the institutions of higher education, some of the teachers of the present institutions of higher education and the scientific research personnel and engineers should be transferred to undertake adult education.

(4) Provided their regular teaching commitments have been fulfilled, the ordinary schools of higher and secondary education should actively undertake the task of adult education. Joint operation by enterprises and schools should be initiated.

Part Five: Social Development Plan

Chapter 29: Population

Section One: Strictly Control Population Growth

Family planning and population control is one of the basic national policies in our country, and has a bearing on the overall strategy of our socialist modernization.

Because of the improvement of people's livelihood and the development in public health and medical facilities and in physical culture since the founding of the People's Republic, the death rate has been lowered by a wide margin, people's physical condition has shown marked improvement, and life expectancy has been greatly increased. However, because of the lack of control over a long period, population growth has been too rapid. This has seriously handicapped economic construction and development, and the improvement of people's livelihood, and exerted a heavy strain on education, employment, housing construction and urban public utilities. Therefore, we must resolutely and strictly control population growth.

In order to limit our population to 120 billion by the end of the century, the plan demands that the total population of the mainland in 1985 be kept to 106 billion, so that the birth rate may be controlled at about 19 per thousand and the natural growth rate be kept to 13 per thousand. Family planning must also be implemented in the areas where minority nationalities live in compact communities, and each area should work out a program for family planning that takes into account its economic, natural and population conditions.

Section Two: Measures to Control Population Growth

1. We will employ good publicity and education.

In close cooperation with the propaganda, health and civil affairs departments, and with trade unions, women's federations and CYL organizations, family planning committees at all levels must begin an in-depth and meticulous job of

publicity, education and ideological work. We should publicize the great significance of population control, teach the young people to get married and give birth late, eliminate the feudal and backward ideas about giving birth, and disseminate the scientific knowledge of the physiology of reproduction, genetics, health care for the baby and mother, and family planning.

2. We strongly advocate the idea of one child for each couple.

During the Sixth Five-Year Plan period, the central link in family planning will be to greatly raise the rate of couples giving birth to just one, strictly control second births and resolutely prevent additional births. To attain this objective, we must persist primarily in ideological education while supplementing it with the necessary economic, administrative and organizational measures.

While implementing various forms of production responsibility system, the rural areas must also establish a corresponding responsibility system for family planning which will be carried down to the commune, the brigade and the individual. In the distribution of responsibility plots, private plots or housing plots, we should give preferential treatment and rewards to the households with one child, particularly one female child. In both urban and rural areas, we should instill the idea of genetics, and conduct premarital and post-marital examinations so as to reduce the number of babies born with congenital diseases. We should also carefully attend to the care for old people and social insurance.

3. We should provide active technical guidance in family planning.

We should improve the quality of birth-control surgery for the sake of safety and dependability, carefully organize the production and supply of contraceptives for both oral and external administration. The departments concerned should guarantee the needed funds, materials and labor protection. Academic research into the theory of population should be launched and the scientific study of the physiology of reproduction, genetics, and family planning techniques should be strengthened. We should also improve maternity and child health care.

4. We should strengthen family planning organizations and their personnel.

We will set up and strengthen family planning committees, family planning staff offices and other work organs at or above the county level. The basic-level units will designate special cadres or other special personnel for family planning.

Propaganda and guidance stations for family planning will be established in the administrative units above the county level throughout the country, and continued efforts should be made to run the education and propaganda centers for family planning in Beijing, Shanghai and Chengdu. In Jilin, Guangdong, Hebei, Shandong and Henan, training centers for cadres in family planning should be established. With the method of training level by level, all cadres in charge of family planning at all levels will go through a complete rotational training in 5 years.

The research personnel and medical workers for family planning at all levels should be properly replenished, and the necessary equipment and facilities should be increased.

Chapter 30: Labor

During the Sixth Five-Year Plan period, we must make positive arrangement for urban employment, for raising labor productivity and for gradually reforming the labor system in addition to strengthening labor protection and improving labor conditions.

Section One: Urban Labor Employment

During the Sixth Five-Year Plan period, we will adopt many different ways to solve the problem of employment according to the state's overall planning and guidance and the principle of "combination of recommendation by labor departments, voluntary organization, and individual efforts in seeking employment."

In 5 years, we will increase the number of workers and staff members in the state units by 11 million and that in urban collective units also by 11 million. The number of individual self-employed workers will rise by 1.5 million, and about 5.5 million persons will replace those who retire or cannot work for various reasons in state-owned and collective units. By the end of 1985, the newly rising labor force in the cities will be basically employed.

Through these arrangements, by 1985, the structure of urban employment will undergo the following changes: the number of workers in state-owned units will be increased from 80.19 million in 1980 to 91.19 million, and its proportion to the total number of persons employed in the cities will be lowered from 76.2 percent to 70.8 percent; the number of workers in collective units will be increased from 24.25 million in 1980 to 35.25 million, a rise in the proportion from 23 to 27.4 percent; and the number of individual self-employed workers will be increased from 810,000 to 2.31 million, a rise in proportion from 0.8 percent to 1.8 percent.

To accomplish these plans, the following tasks must be carefully attended to:

1. Strictly control the increase in the number of workers in state-owned units.

The number of personnel of state-owned units at present is already excessive. During the Sixth Five-Year Plan, aside from the personnel assigned according to the state's unified placement [system], there will generally be no recruiting for new workers. Every enterprise should conscientiously streamline their labor organization, and strictly enforce the system of fixed personnel and fixed quotas. The personnel needed by new or expanded units should be assigned under the state's unified plan as much as possible. In state-owned units, personnel of all types, including temporary workers, contract workers and workers under agreement should be included in the state's labor plan.

Labor recruitment from the countryside must be strictly controlled. If necessary, such recruitment must be approved by the provincial, municipal and autonomous regional people's government, and the recruited workers can only work on a temporary, agreement or contract basis.

We will continue to set in order to reduce the use of labor not covered by plans. The enterprises which have been closed or suspended, the construction units whose projects have been halted or postponed, and those units having excessive personnel or operating under capacity should release all the workers not covered by plans. The peasant workers not covered by plans in units working at full capacity should also be released, and if replacements are later necessary, these units should solve their problem by first looking for people from units with surplus personnel.

2. Strive to increase the number of persons to be employed in collective units.

Handicrafts, industry, building industry, transportation, commerce, catering and other services in cities should be run by collective units to a suitable extent. The localities and the departments concerned should mobilize all social resources and actively create the necessary conditions for organizing youths waiting for jobs in the cities to form cooperatives with responsibility for their own profits and losses. In the city suburbs, forest areas, industrial and mining areas, and county cities, measures suitable to local conditions can be taken to organize the youths waiting for jobs in the cities to start planting or breeding ventures on a collective basis. The labor service companies should be consolidated and developed, and, through various channels, arrangements should be made for the blind, deaf, mute and crippled people to find work, provided they can work at all.

3. Encourage self-employment for individual workers.

Self-employed individuals in our country are socialist laborers. During the Sixth Five-Year Plan period, we should appropriately develop handicrafts, repair businesses, catering services, commerce and other trades that are suitable for an individual economy. The state-owned and the collective enterprises should, within their capability and in a planned way, lease or contract their business, which should be decentralized, to the individual laborers. The stores, outlets, sites and stalls required for the development of individual economy should be appropriately arranged under a unified plan. The departments concerned should give the necessary support to those engaged in individual undertakings in the way of raw materials, material supplies, and loans. The industry and commerce administrative departments should strengthen their unified control over the individual economy so that it will develop within the framework permitted by state policies.

4. Gradually reform the labor system.

Both state-owned units and collective units run by counties (or city districts) or above these levels, when recruiting workers in accordance with the plan, must carry out recruitment publicly, allow voluntary applications, give overall

examinations and select the best candidates for employment. They should also study and put forward their plans for overall reform of the labor system.

5. Strictly enforce the system of retirement of workers.

In strict compliance with the decisions of the State Council, we must be firm in handling the retirement or resignation of workers or the release of cadres from their posts. Those who are qualified for retirement but insist on continuing their work even after the retirement campaign will be paid their retirement and separation benefits, but are not counted as regular workers.

4. Institute preemployment training for urban youths waiting for jobs.

The labor departments and other departments should organize the urban youths waiting for jobs to engage in subsidized labor to promote social benefits. Political, vocational, moral and labor discipline education should also be conducted to enhance their cultural knowledge and labor skill. Those who have completed their training will be selected and employed by the units concerned, and the state will not be responsible for their job assignment.

Section Two: Strengthen Labor Protection

In coordination with the reorganization and technical transformation of enterprises, we must conscientiously solve the outstanding problems of safety technology and labor health, and effectively improve working conditions. The rules and regulations for labor protection should be perfected and strictly enforced, along with the implementation of the state's system of safety supervision over mines, boilers and pressurized containers. We must also strive to prevent injuries and accidents and bring the incidence of occupational diseases down to the lowest possible level.

Chapter 31: Residents' Income and Consumption

During the Sixth Five-Year Plan period, we should continue to raise the residents' income and consumption on the basis of production development and increased labor productivity so as to further improve people's material and cultural lives.

Section One: Residents' Income

1. Peasants' income

During the Sixth Five-Year Plan period, increase in peasants' income will largely depend on increased agricultural output, and the development of economic diversification and their household sideline occupation. By 1985, the average net income per peasant will come to about 255 yuan, 33.5 percent more than the 191 yuan in 1980, an average annual increase of 6 percent.

Of the peasants' net income, the proportion from collective production and household sideline occupations will rise while the proportion from support remittances, relief and others will drop. Because of the increase in peasants' sideline products and in the rural industrial and other forms of labor, the proportion of cash income in the peasants' net income will rise by a wide margin.

2. Workers' wages.

During the Sixth Five-Year Plan period, the workers wages will be properly readjusted according to the principle that the average increase in wages should be slower than the increase in labor productivity. According to the plan, the total wages for the country's workers in 1985 will be 98.3 billion yuan, 21 billion yuan more than the 77.3 billion in 1980, an average annual increase of 4,200 million yuan, and a growth of 4.9 percent.

In 5 years, most workers and staff members in units owned by all the people, with the exception of a few high-ranking officials, will be promoted one grade on the wage scale. Middle-aged intellectuals, most of whom are underpaid and have heavy burdens, will receive more substantial increases.

Readjustment of workers' wages in urban collective units will be carried out under unified arrangements and according to local conditions by the provinces, municipalities and autonomous regions with consideration for the interests of the state, the collective and the individuals as a prerequisite.

Efforts should be made to work out plans for reforming the wage system and for proper implementation.

All regions and departments should do the following jobs well:

- (1) Step up political and ideological work. The broad masses of cadres and workers should be educated to recognize and handle correctly the relationship between state and individual interests and between long-range and immediate interests, and should continue to display the spirit of working hard, enhance their initiative in production and raise labor productivity.
- (2) Resolutely check the practice of indiscriminate payment of bonuses. All units should strengthen their control of the wage funds and the labor departments and banks at all levels should intensify their supervision and inspection.
- (3) Readjust piecework wages and welfare subsidies. Subsidies in money or in kind under any pretext are forbidden.

Section Two: Residents' Consumption

According to the plan, by 1985, the annual per capita consumption of urban and rural residents will reach 277 yuan, 50 yuan more than the 227 in 1980, an average annual increase of 4.1 percent and higher than the average annual increase of 2.6 percent between 1953 and 1980. For residents in cities and towns, it will be 547 yuan, 79 yuan more than the 468 in 1980. For residents in the countryside, it will be 212 yuan, 39 yuan more than the 173 in 1980.

Of the volume of consumption by rural residents, the proportion of commodities will rise from 56 percent in 1980 to 61 percent, and that of consumption on a self-sufficient basis will drop from 41.2 percent to 35.7 percent.

In these 5 years, the rise in the consumption level of rural residents will be slightly faster than that of urban residents, and the difference in living standards between the urban and the rural population will continue to decrease. By 1985, the ratio between consumption levels of the rural and urban residents will change from 1:2.71 in 1980 to 1:2.58.

Judging from the pattern of material consumption, in the Sixth Five-Year Plan period, the consumer goods available to the urban and rural population will be further diversified.

In food consumer goods, there will be a gradual increase in grain, edible oil, sugar, meat and other basic consumer goods. The consumption of high-grade foodstuffs, nutritious foodstuffs, convenience foods and various beverages will also increase by a wide margin. By 1985, the daily consumption of food by the urban and rural populace will be 2,750 kilocalories, a 6.1 percent increase over the 2,592 kilocalories in 1980.

In consumer goods to wear, the quality of footwear and headgear will be improved, and the designs and varieties to the taste of consumers will continue to increase.

Among the consumer goods for daily use, the number of durable consumer goods in use will be fairly greatly increased. There will be abundance of designs and varieties, particularly those of high grade, multi-purpose and new styles.

In 1985, the increase in the volume of consumer goods consumed or in use is shown as follows:

		1980	1985	Increase in 1985 over 1980 (%)
Grain (consumed)	kilogram/person	428	443	3.5
Edible plant oil (consumed)	"	4.6	6.5	41.3
Cloth(consumed)	"	30.1	33.1	11.0
Sugar(consumed)	"	7.7	10.0	29.9
Bicycles (in use)	100 persons	9.7	18.7	92.8
Sewing machines (in use)	100 persons	4.7	9.0	91.5
Wrist watches (in use)	100 persons	12.9	26.2	103.1
Radios (in use)	100 persons	12.1	22.8	88.4
TV sets (in use)	100 persons	0.9	3.4	277.8

Furthermore, consumption of a cultural and service nature for the urban and rural populace will be fairly greatly increased, with greater convenience to their daily living.

Chapter 32: Urban and Rural Construction and Social Welfare

Section One: Urban and Rural Construction

During the Sixth Five-Year Plan period, all cities and towns are required to draw up their own plans for development. The municipalities should draw up their overall plans before the end of 1983. These overall plans will serve as the basis of city administration and development. We must conscientiously implement the principle of controlling the size of big cities, rationally developing the medium-size ones and actively developing the small ones. Large and medium-size new industrial projects generally must not be built in large cities, but in medium-size or small cities or city suburbs. Technical transformation of industry should be integrated with city planning. Satellite towns will be built in a planned way around the extra large or large cities where conditions permit. Urban construction should be carried out under the principle of comprehensive development. In building new small towns, satellite towns or new areas or in rebuilding old areas in cities, we should make unified arrangements in land requisition, in tearing down old houses and relocating the residents, in providing municipal public utilities and various services and in building residential houses as well as public structures and all-purpose factory buildings in accordance with the city plans so as to improve the economic results and increase social and ecological benefits.

Village planning throughout the country will have to be completed systematically before 1985. Management over village construction must be tightened, and land must be strictly controlled and economically used. Peasant housing is mainly to be built by peasants themselves with the collective economy playing a major role in helping build public installations in the villages. During the Sixth Five-Year Plan period, peasants are expected to build 2.5 billion square meters of new housing, and welfare facilities in the countryside will be increased by 300 million square meters of floorspace.

Section Two: Urban Residents' Housing

During the Sixth Five-Year Plan period, we will take full advantage of the initiative of the central authorities, local authorities, enterprises and individuals and use funds from various sources and in various forms to build housing in a planned way in order to further improve the living conditions of the urban populace.

In 5 years, the proportion of funds from various sources in the country to be used in building housing for state-owned enterprises, trades, government offices, schools and scientific research units to the total capital construction investment will be increased from 11.9 percent in the Fifth Five-Year Plan period to about 20 percent. Within these 5 years, we plan to build houses in cities and towns with a floorspace of 310 million square meters, an average annual increase

of 62 million meters. Living conditions will be improved for the urban residents who have no living quarters, live in especially overcrowded houses, or in very inconvenient conditions.

To improve urban housing conditions, attention must be paid to the following tasks:

1. We must coordinate housing construction with urban development plans. Construction plans for small residential areas should be worked out, and there should be coordination between the construction of new areas and the reconstruction of old areas. At the same time, attention should be paid to the construction of parks and lawns. We must be very careful in economizing on the use of land, and must not encroach on the land being used for growing vegetables or grain.
2. Unified planning and unified construction should be strengthened for housing, municipal public utilities, and supporting engineering in the residential areas. Completed houses must be supplied with water and electricity, have access to roads and be up to the standards for occupancy. Separate electric and water meters should be installed for households under an overall arrangement.
3. We will do our work well in housing design. Provided that suitability, sturdiness and economy are served, attention must be paid to the attractive appearance and variegated styles of houses. Within the limit prescribed by the state's architectural standards, and provided the quality of construction is guaranteed, we should strictly control the construction costs. In large cities, we should build some tall buildings which do not occupy much land; in small and medium-size cities and in industrial and mining areas, we should build more multistory houses. In designing, we must consider the need for convenience in daily life by providing rational living space and such auxiliary facilities as kitchens, toilets, corridors and sun decks. The standard area for each household must be strictly followed.
4. In Siping, Zhengzhou, Changzhou and Shashi, experiments should be conducted regarding the sale of houses. Individuals should also be encouraged to purchase their own houses.

Section Three: Urban Public Utilities

Urban public utilities in our country at present, including water and electricity supplies, water drainage, heating, gas supply, flood control, road and bridge building, public transportation, tree planting, environmental protection and so forth, are very inadequate for production, construction and people's livelihood. During the Sixth Five-Year Plan period, we must give play to the initiative of the central and local authorities and enterprises in carrying out the transformation and construction of public utilities in cities by groups and by stages in order of importance and urgency.

1. Water supply. Water supply must be increased in those cities where such supply is inadequate. For the 15 cities in the north and 10 cities in the south where water is seriously deficient, plans for water supply including the building of tap water plants and water pipe networks and the tapping of water sources, should be worked out. Such work should get particular attention in Beijing,

Tianjin, Dalian, Qingdao, Xian, Shenyang and Taiyuan where the water shortage is acute. During the latter 3 years of the Sixth Five-Year Plan period, the magnitude of these construction projects will grow to such an extent as to provide 10 million tons of water daily, an average annual increase of 3 million tons, every day. At the same time, all localities should adopt effective methods to conserve water. The plants and mines should use water in a planned way and strive to lower water consumption per unit. In 1985, through water recycling in industry, it is expected that more than 40 percent of the water can be reused.

2. Water drainage. All cities should carefully attend to the repair or construction of networks of water drainage pipes and attach great importance to the solution of serious waterlogging in some areas or the problem of rain water drainage and the sewage system in new residential areas. Sewage disposal projects should also be implemented in some large cities or the key tourist cities.

3. Gas. If conditions permit, the large cities should arrange for the construction of gas works on their own. Except for those cities where construction of gas works has already been approved, it will be mainly preparatory work for the other cities. In the cities where there is a surplus of industrial gas, gas transmission pipe networks should be constructed for supply to the residents according to the unified plan for energy conservation. During the Sixth Five-Year Plan period, according to the general scale of construction, we will be able to supply approximately 8 million cubic meters each day, about 3.5 million cubic meters more than the present daily supply.

4. Heating. Cities in the north should, depending on their local financial and material resources, build key regional boiler rooms and extend the central heating systems.

5. City roads and public transportation. Great efforts will be made to solve the problems of bottlenecks and dead ends of some trunk roads in some large and medium-size cities and to build an appropriate number of trunk roads and bridges. Road construction should be coordinated as much as possible, and work on underground pipes and cables under a unified arrangement has to be carried out by stages. At the same time, great efforts will be made to develop city public transportation by opening some road networks and improving the parking sites and vehicle stations. In those cities where conditions permit, electric trolley service should be developed.

6. Flood control in cities. The main task is to build flood-control dikes and to strengthen and raise the height of dikes already built, to construct revetments and to clear away the obstacles. The safety of key cities must be assured in the event of extra severe floods.

7. Environmental sanitation, landscaping and tree planting. All cities should, in accordance with their real needs, improve their environmental sanitation measures including the addition of public latrines, and solve the problems of transportation and disposal of garbage and manure, and of road cleaning, so as to improve the cities' appearance. Landscaping and tree planting should be actively carried out so as to give the cities a more pleasing green appearance.

All local governments should allocate additional funds for improving the urban public amenities and facilities. The funds for city maintenance and construction derived from industrial and commercial profits should be used solely for these purposes, and cannot be diverted to other purposes. The local governments can organize the enterprises that will benefit from these measures to pool part of their own funds to increase urban public facilities.

Section Four: Social Welfare Services

During the Sixth Five-Year Plan period, governments at all levels should tap the resources in various fields, adopt more forms and actively initiate various forms of social welfare work.

Nurseries should be vigorously developed by the state, the enterprises and trades, the civilian organizations or private individuals.

Irrational regulations in the system of insurance covering medical treatment, sick leave, births and deaths, and in the standards of handling claims should be revised, along with the readjustment of measures for appropriating and using welfare funds. We are proceeding to study the establishment of a rational social insurance system which will be gradually popularized when experience has been gained from certain experiments.

We will take good care of the "five-guarantees" households in the countryside and look after the well-being of the dependents of armymen and martyrs.

We will develop a proper number of sanatoriums and convalescent homes and arrange for workers and cadres to recuperate and rest there in separate groups and at different times.

We will take better care of the rehabilitated or demobilized soldiers and the retired cadres in the army, improve our rescue work in the countryside, our social relief and social welfare measures, and reform funeral and burial services. The funds spent by the state on pensions for the disabled or for the families of martyrs and social relief in the 5 years will amount to 12.67 billion yuan.

Chapter 33: Cultural Undertakings

Cultural development is an important component of the development of socialist spiritual civilization. During the Sixth Five-Year Plan period, we will develop various cultural and artistic undertakings, disseminate the communist spirit and patriotism, raise the people's scientific and cultural levels and enrich the cultural life of the urban and rural populace as a contribution to the development of socialist spiritual civilization.

Section One: Films, Art

During the Sixth Five-Year Plan period, in films and art, we will make an effort to raise the ideological level and artistic value of our films and other artistic endeavors, and, on this basis, increase the output of these works.

In 5 years, we will produce 120 feature films in 1985 as against 82 in 1980, an average production of two new feature films each week. Particular attention will be paid to increasing feature films having themes on rural areas, minority nationalities and children. We should actively develop science and educational films and documentaries, and increase the number of cartoons and TV films. At the same time, we should make great efforts to develop plays, traditional operas, operas, dance drama, music, dance, folk art performances, acrobatics, puppet shows, shadow plays, painting, sculpture and photography so as to enrich the repertoire of artistic performances and especially increase the proportion of modern themes in the repertoires.

To accomplish these tasks, work in the following fields must be carefully carried out:

1. We must carry out equipment renovation and technical transformation for the existing studios, reform the operation and management systems, and give full play to the existing productive potential.
2. The existing movie theaters should be repaired or rebuilt gradually. Some new movie theaters should be built in the new residential areas, and in those industrial and mining areas where the shortage of movie theaters is acute. Some movie theaters for children should be built, or rebuilt in some cities. In the countryside, we should rely on the resources of the collective economy to support the building of improvised film-projection sites. By 1985, the number of these sites will be increased to 10,000 in the market towns.
3. The present theaters should be maintained and repaired, and their outdated equipment should be gradually renovated. In the cities and areas where the shortage of theaters is keenly felt, some new theaters should be built.
4. The present art troupes should be readjusted, consolidated and restructured so as to improve their operation and management and to increase income and reduce expenditures.
5. Step up the collection and processing of our cultural and artistic relics, and further develop scientific and technological research into film and art.

Section Two: Journalism and Publications

During the Sixth Five-Year Plan period, we must actively improve the news and publications media, simplify the publishing, printing and distributing structures, carry out reform of the system, and increase the quantity, on the basis of improved quality, of books and periodicals.

We should strengthen planned control over the publication of periodicals and books. Efforts must be made to readjust and consolidate the present publishing houses and magazines, strengthen the backbone leadership and the editorial staff, clarify the publishing policies and framework, raise the editorial level and shorten the cycles of the publication of periodicals and books. In the latter 3 years of the Sixth Five-Year Plan period, generally, no new publishing house will be established.

By 1985, we will print 45.6 billion sheets for publication, an increase of 8.2 billion over the 37.4 billion in 1980. This will include:

500 types of newspapers, 15.7 billion printed sheets, an increase of 1.6 billion sheets over 1980.

37,000 types of books, 24.3 billion printed sheets, an increase of 15,000 types and 4.7 billion sheets over 1980.

3,000 types of magazines, 5.6 billion printed sheets, an increase of 800 types and 1.9 billion sheets over 1980. The increased number are mainly magazines dealing with rural topics, popular science, and young people.

The present publishing houses will undergo systematic equipment renewal and technical transformation. In those areas where conditions permit, we will gradually develop printing plants and type-setting plants with priority to the publication of those books whose supply does not meet the demand so that the publication capacity will be commensurate with the task of publication.

We will improve the distribution of books, strive to clear and expand the distribution channels and increase the distribution networks and warehouses. In the cities, we will mainly increase the network of state-run bookstores and at the same time develop other book stores, book booths and book stalls run by collectives and individuals, in the hope that by 1985, there will be an average of one book-selling point for every 40,000 persons. In the mountainous areas, remote areas, and minority nationality areas, more book stores will be opened. In the countryside, we will rely on the supply and marketing cooperatives, cultural stations and libraries to handle the distribution of books and periodicals, so that book-selling points will be available in every commune or every market town with a population of more than 10,000. In the national distribution network by 1985, there will be 13,000 outlets, a 1.5 fold increase over 1980.

Section Three: Broadcasting and Television Services

During the Sixth Five-Year Plan period, broadcasting and television enterprises will be suitably developed, we will continue to improve the quality of service and exert efforts to perfect the means of service. It is important to intensify program preparation and transmission, especially the means to transmit television programs, and expand coverage for the population.

In 5 years, the central stations will increase the transmission power or regarding their domestic broadcasts. For the primary programs (medium wave),

a number of relay stations will be set up to increase coverage to 40 percent of the population. All provinces, municipalities and autonomous regions will also set up their own relay stations with coverage reaching 60 percent of their population. For wired broadcasting below county level, the circuits already set up should be carefully maintained so as to keep the circuits open and voices from the loudspeaker loud, clear and satisfactory to the audience. In the counties where special broadcasting lines should not, or cannot, be put up, frequency modulating stations should be established so as to improve the reception. At the commune or lower levels, special transmission lines should still be mainly used.

We should improve our international stations beamed to foreign countries and increase their transmission power.

To increase our capacity to produce TV programs and enrich their contents, in 5 years we will build in Beijing a central color TV center complex, and newly establish TV centers in some provinces, municipalities and autonomous regions. A microwave circuit will be set up from Beijing to Hohhot for transmitting the programs of the central TV station. All provinces, municipalities and autonomous regions should step up their microwave circuit construction so as to improve the quality of program transmission. The resources of localities, the armed forces, enterprises, trades and the commune and production brigade collectives should be fully mobilized to develop relay stations and differential relay stations so as to expand coverage for the population.

Construction of broadcasting and television services in Xinjiang, Yunnan, Guangdong, Guangxi, Liaoning, Jilin, Heilongjiang, Nei Monggol and other border regions should be strengthened. By 1985, the majority of residents will be able to listen to medium-wave broadcasts, and most of the densely populated regions along the coast and the bordering regions will be able to view TV programs of the central station.

Section Four: Cultural Relics, Museums and Libraries

The work of protecting cultural relics will be intensified to further develop our work in this field. By 1985, we will have 850 storage facilities for cultural relics, and will build some special storerooms to preserve some precious cultural relics. Key national and provincial units for the preservation of cultural relics should work out maintenance and repair plans, carry out repairs by groups and by stages, and install safety devices to guard against fire and lightning in order to ensure their safety. Management over cultural relics which have been scattered around and the market for cultural relics should be strengthened, and the sale of replicas or imitations of cultural relics should be expanded. More active leadership should be provided for archaeological excavation work. In addition to coordination with various construction projects, we should selectively conduct such excavations to help settle certain important historical academic issues. We should set up and improve cultural relics research institutes and intensify our scientific research in this field.

We will enrich and improve our existing museums. Museums are to be built step by step in cities which still do not have any. All departments should have plans for developing specialized museums.

We will intensify the construction of public libraries and make great efforts to construct a new Beijing Library. At present libraries are to be built step by step in provinces, cities and counties which still do not have them. In large and medium-size cities, we should build children's libraries. We should also selectively enlarge the premises and increase the equipment for existing libraries. Regarding ancient materials where only one copy exists, rare editions, and precious documents, we must actively improve storage facilities and adopt effective protection measures.

Section Five: Cultural Undertakings in Minority Areas and Mass Cultural Undertakings

We will actively develop cultural undertakings in areas inhabited by minority peoples, particularly the frontier regions. We will build or expand such cultural facilities as libraries, cultural centers, museums, movie and other theaters. In counties or banner without theatrical companies, mobile troupes in the fashion of Nei Monggol cultural troupes mounted on horseback should be formed. We will also carefully translate movie dialogues into minority languages to be dubbed in the sound tracks so that the minority peoples can see, hear and enjoy good films.

We will publish books and periodicals for minority peoples, compile and edit dictionaries for these groups and collate and publish books on the minority people's cultural heritage.

We will actively develop cultural activities for the masses and provide more facilities for this purpose. The cultural centers in the rural market towns should be gradually set up and bettered, and we should improve the buildings and facilities of county cultural centers.

Section Six: Cultural and Art Exchanges With Other Countries

We will increase the exchanges of visits with people of cultural and art circles and performing groups in other countries, particularly the Third World countries, and develop cultural and art ties with them. We will produce more feature films, documentaries and performance programs which are suitable for foreign audiences. The number of 16 millimeter films, video tapes and recording tapes will be increased along with suitable increases in newspapers, periodicals, books and other publications of propaganda value. We will sign more cultural cooperation agreements with foreign countries, increase the supply of cultural propaganda articles to be sent abroad, and improve our distribution to foreign countries.

Chapter 34: Public Health, Physical Culture

Section One: Medical Services and Public Health

In the Sixth Five-Year Plan period we will continue to adhere to the principle of taking care of both urban and rural areas and of integrating traditional

Chinese medicine with Western medicine. We will intensify the construction of medical and public health organizations at various levels in cities and the countryside and strive to develop our medical and public health services so as to further improve the medical and public health conditions for the people.

The plan calls for an increase of 250,000 hospital beds in the 5 years, an average increase of 50,000 beds each year. We should stress increasing beds for special maternity, child, infectious disease, tumor and mental patients and traditional Chinese medicine patients in cities. By 1985, the total number of hospital beds in the country will be increased to 2.23 million from the 1.98 in 1980.

For the medical and public health organizations above county level, particular attention should be paid to readjusting, consolidating and perfecting various management systems, training technical personnel, replenishing medical equipment, improving service attitude, raising the level of medical treatment and increasing the economic benefits in medical and public health work. To reduce the strain of a shortage of beds on the public health system, the hospitals of other departments as well as army hospitals should be accessible to the broad masses, provided these hospitals have no difficulty in completing their own tasks. The central and local health departments, or the other departments may appropriately set up some sanatoriums and run a small number of convalescent hospitals on a trial basis. The enterprises and some responsible departments can run professional hospitals if conditions permit. First-aid centers should be set up and improved in some large cities such as Beijing, Tianjin and Shanghai. The procedures for treating emergency cases in city hospitals should be improved. We will do a good job of consolidating and establishing basic-level medical organizations and actively set up sick-beds at home.

Public health organizations at the county level should be systematically and gradually built into technical guidance centers for rural medical treatment. Every effort should be made to complete the tasks of consolidating or building health organizations in 500-700 counties within 5 years. Commune hospitals should be reorganized, management improved, and all strength should be concentrated to supply buildings, equipment and technical forces to the central commune hospital in order to meet the needs of peasants who need to see a doctor. The clinics in production brigades should be adequately supplied with doctors and drugs so that contraception and family planning work can be done well. Cooperative medical service should be carried out with methods suitable to local conditions, according to the wishes of the masses.

To develop traditional Chinese medicine, we will build traditional Chinese medicine hospitals (courses).

We will strengthen the ranks of health workers. In 5 years, we will increase the number of professional health workers by 600,000, an average annual increase of 120,000. There will be an increase of 230,000 doctors of both traditional Chinese and Western medicine, which among qualified doctors will increase to 180,000. By 1985, the number of professional health personnel in the entire country will reach 4.21 million; the number of doctors of traditional Chinese

and Western medicine will reach 1.38 million among which qualified doctors will number 890,000. We must set up training bases, strengthen training for paramedic personnel, and raise the technical level of medical treatment. Doctors of traditional Chinese medicine, doctors of Western medicine and doctors who are proficient in both schools of medicine will combine forces and bring their role into full play. We will strengthen the training of barefoot doctors, and by 1985, we expect that more than half of all barefoot doctors will achieve a middle level of professional competence, be granted certificates, and become rural doctors. At the same time, we will continue to train rural health workers and midwives and help improve their work.

We will continue to uphold the principle of prevention first and carry out sustained in-depth mass patriotic public health campaigns. We will strengthen epidemic prevention institutions, and strengthen public health supervision work and the prevention of acute and chronic infectious diseases, parasitic diseases, endemic diseases and occupational diseases.

We must increase the construction of public health institutions for women and children, protect well the health of pregnant women, popularize scientific midwifery, and lower the mortality rate of pregnant women, new-born babies and infants.

Medical research must be oriented to the prevention and treatment of diseases. We must study the crucial scientific and technological problems related to the prevention of common diseases, frequently-occurring diseases and those diseases that may seriously threaten people's health. Moreover we must strengthen cooperation and energetically organize scientific research to tackle the key problems of tumors, infectious hepatitis and family planning technical measures.

Section Two: Medicine

During the Sixth Five-Year Plan period, the pharmaceutical industry must intensify scientific research in a practical way, energetically raise the quality of its products and their efficacy, and make efforts to increase the production of items in short supply.

In chemistry and medicine, we should make efforts to develop new varieties in new dosages, speed up the updating of products, and improve the equipment and production techniques, as well as the packaging so as to bring about marked improvement in the quality of drugs. We should actively develop various types of semisynthetic penicillin and cephalosporin. Of the 80 types of medicinal raw materials, the quality of 80 percent must be up to international standards. We must actively produce new types of contraceptives with long-lasting effects, new anticancer drugs and other new drugs for the treatment of cardiovascular disease, cerebrovascular disease, and hepatitis. All pharmaceutical plants and medicinal raw materials plants must operate according to the state's statutes in managing pharmaceutical production and ensure that the quality of their products is up to national standards.

We should vigorously develop the production of those medicinal herbs that are in short supply so that in 5 years, this shortage will be resolved or eased.

We will exert efforts to improve artificial planting techniques, cultivate improved varieties and raise per-unit yield. We will increase the protection and rational use of licorice root, river deer and other wild herbs and animals. We must seriously further research on musk, ginseng and scores of other rare animals and plants to be used as medicine. The techniques of preparing drugs in liquid and solid forms should be improved so as to raise their quality.

Regarding Chinese proprietary drugs, on the basis of improving varieties and standards, we must improve the quality and produce more brand-name products. The key is to develop effective drugs for emergency treatment, antipyrexia drugs, drugs for children, drugs for cardiovascular and cerebrovascular disease, for the prevention and treatment of hepatitis, as well as other varieties in popular demand. All plants producing proprietary drugs must strengthen management over all-round quality, actively improve technology and ensure the quality and efficacy of their products.

We must strengthen leadership over commercial pharmaceutical business, particularly the county pharmaceutical companies, increase the supply network, reduce the irrational wholesale links, and improve storage conditions.

To improve the quality of pharmaceutical products, we must link enterprise consolidation and reorganization, eliminate those products of inferior quality and which harm the health of the people, and resolutely close substandard pharmaceutical enterprises.

Section Three: Physical Culture

Physical culture must help improve the health of the entire nation and develop socialist spiritual civilization. We will extensively develop physical culture in cities with particular stress on physical education in schools while actively developing sports activities in factories, mines, enterprises and in the countryside. Schools must run physical culture classes to enable the majority of students to reach the state standard for physical training. Factories, mines, enterprises and government offices should cooperate by groups and by stages and extensively promote various sports activities. In the countryside, we will develop and encourage both the modern sports, which people enjoy, and the traditional sports of various nationalities.

The ranks of outstanding athletes should be reorganized and built in accordance with the traditions of the Olympics, the key overall arrangement of the entire country and the provinces, municipalities and autonomous regions. Efforts will be made to consolidate and raise the technical level of physical culture and sports and see that table tennis, badminton, women's volleyball, gymnastics, go and diving all remain at the world's advanced level and also raise to a rather large extent the level of other sports.

We will appropriately step up the construction of playgrounds. In 5 or more years, all provincial capitals will have their own stadiums, while the municipalities under provinces and the more economically developed counties (county seat) will gradually build their own playgrounds, illuminated playgrounds, swimming pools, and training rooms. Construction of these facilities should be included in the city construction plans.

Chapter 35: Environmental Protection

One of the important tasks in socialist modernization is to manage well the environment in our country, to rationally exploit and utilize natural resources, and to maintain a good ecological environment. During the Sixth Five-Year Plan period, the basic environmental protection goals are to check the destruction of the natural environment, prevent the development of new pollution, exert effort to control the continued deterioration of the ecological environment, solve the problem of serious pollution, and continue to improve the environment of a number of key cities having scenic spots for tourism, such as Beijing, Hangzhou, Suzhou and Guilin. The specific requirements are as follows:

1. We must resolutely check any damage to the ecological environment and natural resources. Land, water and other natural resources must be rationally utilized and measures must be taken to prevent loss of water and soil erosion and desertification. In exploiting mineral deposits and forest resources, we must guard against any destruction of natural resources or deterioration of the environment. In selecting sites, designs, construction and production, all enterprises and trades must strictly guard against environmental pollution and destruction. For new construction, reconstruction or expansion projects and important technological transformation projects, environmental impact reports must be submitted to and approved by the environmental protection departments and other departments concerned before the plan can be carried out.
2. Measures to prevent pollution and other pollution harmful to the public in new construction projects must be carried out resolutely according to the regulations of the State Council along with the simultaneous planning, construction, and putting into operation of essential projects. The disposal of harmful substances must be carried out according to the standards set by the state to avoid and eliminate new sources of pollution.
3. We will control pollution from the old enterprises by groups and by stages and make efforts to raise our ability to handle the "three wastes," and to raise the level of comprehensive utilization of resources. The waste water from factories and mines containing mercury, chromium, cadmium, phenol and cyanide must be disposed of within the plants. If the water is to be discharged into rivers, lakes or the sea, it must not exceed the limit prescribed by the state. Regarding the metallurgy, chemical, petroleum, communications, building materials, light, textile, coal, electric power, machinery, and weapons industries as well as other trades that may cause serious pollution, a number of large and medium-size enterprises are required to use their energy and raw materials rationally and to confine the discharge of the "three wastes" and the noise in the plant sites within the limits of national standards and maintain the cleanliness of the plant area and civilized production.
4. We must check the tendency toward deterioration of the quality of water of the Chang Jiang in the Dukou, Chongqing, Wuhan, Nanjing and Shanghai sections; of the Huang He in the Lanzhou, Luoyang and Jinan sections; and in the Bohai,

Huanghai, Songhua Jiang, and Huai He waters and the main harbors, and protect well the important sources of drinking water in all cities as well as the quality of water in the Li Jiang, Tianchi, Xi Hu, Tai Hu and other scenic and tourist spots.

5. Through better environmental management and pollution control, we will strive hard to bring about marked improvement in the environmental outlook of the cities having famous tourist attractions such as Beijing, Suzhou, Hangzhou and Guilin within 3-5 years. All provinces, municipalities and autonomous regions should pay special attention to the improvement and protection of the environment in one or two cities and solve the acute problem of environmental pollution there.

6. We will carefully attend to the planning and improvement of natural environmental regions and rationally set up a proportionate relation between exploitation and utilization and preservation and propagation of natural resources. In 5 years, on the basis of the present 85 nature preserves in the entire country, 10 nonforest nature preserves will be added.

The major steps to meet these requirements are as follows:

(1) We must strengthen planned guidance over environmental protection and rationally solve the appropriation of funds. In accordance with the demands of state plans, all enterprises, trades and their responsible departments should set specific goals for environmental protection and standards of evaluation. Moreover, in their annual plans, arrangements should be made and practically put into practice. Environmental protection departments should strengthen their supervision and inspection. Investment in capital construction for pollution control and funds for the technical transformation of enterprises for pollution control should all be included in the plans. The profits derived from the comprehensive utilization of the "three wastes" should be retained according to regulations of the enterprises to be used to further control pollution. Funds from waste disposal fees should be specially used in pollution control and nothing else.

(2) The various responsible departments should draw up an overall plan to combine the consolidation and reorganization of enterprises and their technical transformation with pollution control. In choosing plans for enterprise reorganization and technical transformation, full consideration should be given to their optimal environmental effects. Plants with backward production technology and serious problems of pollution which cannot be easily solved should change over to some other line of production according to plan, or merged or relocated. In so doing, we must strictly guard against the shifting of pollution caused by the "three wastes" to the countryside. In assigning production targets to the industrial and mining enterprises, we should also set requirements and targets for environmental protection, and carry out strict checks. Industrial enterprises and their responsible departments must observe the principle "whoever causes pollution should control it" and effectively bear the responsibility for controlling pollution.

(3) There should be unified planning and overall control. Engineering, biological, physical and other technical measures should be adopted jointly with administrative, legislative and economic measures to combine the exploitation and utilization of resources with their protection, cultivation and transformation, with particular attention to the gradual realization of the permanent utilization of renewable resources. At the same time, we should extensively develop the comprehensive utilization and recovery of resources and gradually turn the industrial "three wastes" into resources to prevent the waste of resources and damage to the environment.

(4) We will intensify the monitoring of the environment and research work on this subject. We must pay close attention to the construction of environment monitoring stations at all levels, make efforts to equip as quickly as possible the monitoring stations throughout the country and 64 key stations, and build up operational capacity. During the Sixth Five-Year Plan period, we will basically complete the Chinese Academy of Environmental Sciences and emphasize equipping a number of local research institutes. We must further strengthen leadership over environmental protection research work. The existing environmental science research facilities at the provincial and municipal levels should undergo the necessary readjustment so that there will be a clear division of labor. Full play should be given to the role of the environmental sciences forces of the Chinese Academy of Sciences, institutes of higher learning, and various departments. At the same time, the elementary and secondary schools should disseminate the knowledge of environmental science, while environmental protection courses should be included in the physics, engineering, agriculture, medicine, economics and law disciplines of universities and secondary vocational schools.

(5) We will make laws on environmental protection and enforce them. In collaboration with the departments concerned, the environmental protection departments at various levels should constantly check on the implementation of the environmental protection laws, sum up their experiences in good time, report on their experiences and the existing problems, commend the advanced, criticize the backward and punish the violators of laws. At the same time, they should exercise close supervision and inspection over work to prevent atmospheric, water, and noise pollution as well as environmental protection in the oceans and on nature preserves.

Chapter 36: Social Order

We will maintain good social order in the cities and countryside to ensure that the people will engage wholeheartedly in modernization.

We will continue to improve people's attitude toward labor, work, service and study so that the new type of social relations among all people of mutual respect, affection, help and friendly cooperation will continue to develop.

We will continue to intensify the "five stresses and four points of beauty" campaign, and extensively promote the common rules for urban and rural citizens, rules to be observed by workers and staff members, rules to be observed by students and so forth so that there will be a marked improvement in the social atmosphere.

We will further consolidate public security and resolutely crack down on those who are hostile to socialism or commit crimes. We will strengthen public security, procuratorate and judiciary work and put socialist law on a sound basis. We will also mobilize the forces of various government departments concerned and the entire society and make efforts to bring about a marked improvement in social order. We will devote all efforts to reduce criminal cases, and resolutely stamp out the horrible phenomenon of endangering the safety of women and children and poisoning the social atmosphere.

We will deal resolute blows at serious economic crimes. Smuggling and the selling of smuggled goods should be checked, and those who have committed serious economic crimes, such as corruption, embezzlement, offering and taking bribes, profiteering, swindling and so forth should be attacked. We must defend the socialist economic system and the Four Modernizations. In the course of struggle, we must correctly differentiate between and handle the two different types of contradictions, and strictly enforce the policies. Strict demarcation should be drawn between personal gains permitted by state policies and the illegal gains amassed through criminal means and between those who have become well-to-do through labor and those upstarts who have committed economic crimes. All offenders must be punished according to state laws so as to ensure the healthy development of the struggle.

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